

**Company Registration No. 07644731 (England and Wales)**

**CONCRETE CANVAS GROUP LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

# CONCRETE CANVAS GROUP LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr W C Crawford Mr P E Brewin Mr R D Winter
<b>Company number</b>	07644731
<b>Registered office</b>	Unit 3, Block A22 Severn Road Treforest Industrial Estate PONTYPRIDD Mid Glamorgan UK CF37 5SP
<b>Auditor</b>	Baldwins Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff UK CF23 8AB

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# CONCRETE CANVAS GROUP LIMITED

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# CONCRETE CANVAS GROUP LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 AUGUST 2019

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The directors present the strategic report for the year ended 31 August 2019.

#### **Fair review of the business**

Concrete Canvas Group Ltd is the holding company of the following 3 entities with the following functions:

- Concrete Canvas Ltd: Established in 2005, this is the main trading arm of the group and is responsible for the manufacture and sale of the company's patented material technologies, ancillaries and associated fabricated products, namely; Concrete Canvas (CC), CC Hydro (CCH) and CC Shelters (CCS).
- Concrete Canvas Technologies Ltd: Established in 2011, this entity owns the intellectual property assets within the group including all associated patents.
- Concrete Canvas Properties Ltd: Established in 2013, this entity owns the property assets within the group including the main manufacturing site located in Pontyclun, occupied in 2019 as well as the previous manufacturing site located in Pontypridd, both in South Wales.

The principle material technology (CC) was developed by the company in 2005, as a spin-out from Imperial College and the Royal College of Art. CC consists of a dry concrete powder filled fabric which hardens on hydration to form a thin, durable, water-proof concrete layer. This has recently been recognised by the international standards community as a new class of material known as GCCMs (Geosynthetic Cementitious Concrete Mats).

GCCMs can be used for a wide range of applications in erosion control and containment within the civil engineering world. The company sells primarily into 3 core market sectors Civil Infrastructure, Mining and Petrochem.

The company's headquarters are based in Pontyclun, South Wales from where we operate our production, sales, logistics and R&D functions. In addition, we have overseas set-ups with staff in Ireland (Dublin), Belgium (Brussels), Italy (Milan), UAE (Dubai), South Africa (Durban), Malaysia (Kuala Lumpur) and Australia (Sydney).

The majority of our sales are into international markets through a network of more than 60 sales partners with exclusive distribution contracts by geographic region. These international partners are trained, managed and supported by our regional offices. In the UK the company sells directly through a team of technical sales representatives based across the UK.

The Groups over-arching strategy is to achieve growth in 3 ways:

- Expand sales of our existing products and applications by growing market share in existing geographic territories and by signing new sales partners in new geographic territories.
- Expand sales of our existing products by developing new applications with lead customers in the UK and once proven roll these out through our international sales partner network.
- Product development of new technologies based on our core expertise to allow us to access new markets and applications and retain our technological lead.

Concrete Canvas products have several key advantages over conventional solutions such as speed of installation, reduced plant equipment, lower carbon footprint and lower overall project costs. In addition, the business now enjoys strong brand recognition in the geosynthetics market with a reputation for quality, innovation and customer engagement. As the original creator of GCCMs the company is by far the largest manufacturer globally. Through Concrete Canvas Technologies Ltd, the group holds a strong patent portfolio, including 9 patent families with 95 patents pending or granted worldwide through 26 Territories.

The year to August 2019 saw growth of 24%, with improvements in Gross Profit margins, Net Profit Margins, EBITDA and cash position compared to the previous year. This was primarily driven by increased demand in export markets which grew 42% overall with notably strong performance in Japan, the US and Brazil.

There were some challenging external factors due to ongoing uncertainty over the UK's future relationship within the European Union. This had a detrimental effect on UK infrastructure spend with UK sales dropping by 38% compared to the previous year.

## CONCRETE CANVAS GROUP LIMITED

### STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

#### Principal risks and uncertainties

The main risks to achieving the business strategy have been assessed by the Directors and can be summarised as follows:

Risk	Potential Impact	Mitigation
Copycat product enters market	Competitor copies technology infringing business's Intellectual Property and takes market share.	Use of extensive patent portfolio to sue infringing company and seek damages for loss of income. The business has 95 patents pending or granted worldwide through 26 Territories. CCT will seek to enforce it's IPR at a time and in a jurisdiction where it will achieve it's aim of minimising the economic impact of infringing activity on the groups sales.
Loss of Key Supplier	The core material technology is reliant on a bespoke input material components. Loss of one of these key suppliers could impact our production capacity and our ability to meet customer lead times.	The business has dual supplier arrangements in place for all critical components and can source alternative supply for all non-critical components at short notice.
Production Line Breakdown	The core production machinery is bespoke and only exists within the Pontyclun facility. A large-scale line breakdown could potentially impact on our ability to meet order lead times and loss of sales.	We have invested heavily in our internal production engineering team and keep stock of spare machine parts as well as operating a preventative maintenance schedule. We also aim to keep sufficient stock of core products to buffer short term interruptions in production capacity
Personnel	The business could be impacted by loss of key individuals.	The business operates an EMI option scheme targeted at retaining key personnel. We are proactively recruiting staff across most departments on a regular basis. This provides us with the capacity and resource to grow whilst also providing some additional capacity in the case of personnel loss. The business invests in staff teambuilding and engagement events and aims to create a friendly cooperative workplace and culture.

## CONCRETE CANVAS GROUP LIMITED

### STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2019**

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#### Key Performance Indicators

	2019	2018
Turnover	£13.5Mn	£10.9Mn
Gross Margin	46%	43%
EBITDA	23%	18%
Cash at Bank	£0.95Mn	£0.27Mn

#### Future direction

The focus in the upcoming year will be on maximising the effectiveness of our existing Sales Partner Network. This will be achieved through the development of joint plans, ongoing training and joint marketing events. We will also be looking to sign new Sales Partners in target territories identified as presenting opportunities for growth. We expect to see strong growth in both domestic and export markets over the next 12 months as the products continues to gain traction in a rapidly expanding market.

Longer term the business continues to invest heavily in R&D with several exciting projects being developed which we expect to fuel growth over the next 5 years.

On behalf of the board

Mr W C Crawford

**Director**

10 March 2020

# CONCRETE CANVAS GROUP LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2019**

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

### Principal activities

The principal activity of the company continued to be that of the manufacture and sale of concrete products.

### Directors

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

Mr W C Crawford

Mr P E Brewin

Mr R D Winter

### Results and dividends

The results for the year are set out on page 9.

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

### Auditor

Baldwins Audit Services were appointed as auditor to the group 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 directors' responsibilities

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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### 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 auditor of the company 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 auditor of the company is aware of that information.

# CONCRETE CANVAS GROUP LIMITED

## DIRECTORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2019*

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On behalf of the board

Mr W C Crawford  
**Director**

10 March 2020



# CONCRETE CANVAS GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CONCRETE CANVAS GROUP LIMITED

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#### Opinion

We have audited the financial statements of Concrete Canvas Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2019 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows 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 group's and the parent company's affairs as at 31 August 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 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.

# CONCRETE CANVAS GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF CONCRETE CANVAS GROUP LIMITED

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#### **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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

#### **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.

# **CONCRETE CANVAS GROUP LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF CONCRETE CANVAS GROUP LIMITED**

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#### **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.

**Ian Thomas BSc FCA DChA (Senior Statutory Auditor)**  
**for and on behalf of Baldwins Audit Services**

10 March 2020

**Accountants**  
**Statutory Auditor**

Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
UK  
CF23 8AB

# CONCRETE CANVAS GROUP LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	2018 £
<b>Turnover</b>	<b>3</b>	13,525,583	10,924,467
Cost of sales		(7,371,001)	(6,224,692)
<b>Gross profit</b>		<b>6,154,582</b>	<b>4,699,775</b>
Distribution costs		(1,850,004)	(1,544,727)
Administrative expenses		(2,105,057)	(1,575,482)
Other operating income		314,193	20,470
<b>Operating profit</b>	<b>4</b>	<b>2,513,714</b>	<b>1,600,036</b>
Interest receivable and similar income	<b>8</b>	51	51
Interest payable and similar expenses	<b>9</b>	(2,770)	(6,892)
<b>Profit before taxation</b>		<b>2,510,995</b>	<b>1,593,195</b>
Tax on profit	<b>10</b>	(145,095)	(20,510)
<b>Profit for the financial year</b>		<b>2,365,900</b>	<b>1,572,685</b>

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

# CONCRETE CANVAS GROUP LIMITED

## GROUP BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Intangible assets	12	1,453,369		1,198,249	
Tangible assets	13	6,018,746		5,067,659	
			7,472,115		6,265,908
<b>Current assets</b>					
Stocks	17	831,734		640,096	
Debtors	18	2,646,726		1,689,727	
Cash at bank and in hand		947,776		273,584	
			4,426,236		2,603,407
<b>Creditors: amounts falling due within one year</b>	19	(21,389)		(1,408,325)	
<b>Net current assets</b>			4,404,847		1,195,082
<b>Total assets less current liabilities</b>			11,876,962		7,460,990
<b>Creditors: amounts falling due after more than one year</b>	20	(1,904,978)		-	
<b>Provisions for liabilities</b>	22	(368,991)		(223,896)	
<b>Net assets</b>			9,602,993		7,237,094
<b>Capital and reserves</b>					
Called up share capital	23	964		964	
Share premium account		624,105		624,106	
Capital redemption reserve		5,998		5,998	
Profit and loss reserves		8,971,926		6,606,026	
<b>Total equity</b>			9,602,993		7,237,094

The financial statements were approved by the board of directors and authorised for issue on 10 March 2020 and are signed on its behalf by:

Mr W C Crawford  
Director

# CONCRETE CANVAS GROUP LIMITED

## COMPANY BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Investments	14		2,874		2,874
<b>Current assets</b>					
Debtors	18	7,402,167		5,642,362	
Cash at bank and in hand		12,736		37	
		<u>7,414,903</u>		<u>5,642,399</u>	
<b>Creditors: amounts falling due within one year</b>	19	<u>(14,222)</u>		<u>(139,225)</u>	
<b>Net current assets</b>			7,400,681		5,503,174
<b>Total assets less current liabilities</b>			<u>7,403,555</u>		<u>5,506,048</u>
<b>Capital and reserves</b>					
Called up share capital	23		964		964
Share premium account			24,475		24,475
Capital redemption reserve			5,998		5,998
Profit and loss reserves			<u>7,372,118</u>		<u>5,474,611</u>
<b>Total equity</b>			<u>7,403,555</u>		<u>5,506,048</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,897,506 (2018 - £1,697,501 profit).

The financial statements were approved by the board of directors and authorised for issue on 10 March 2020 and are signed on its behalf by:

Mr W C Crawford  
Director

Company Registration No. 07644731

# CONCRETE CANVAS GROUP LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 September 2017</b>		964	624,106	5,998	5,619,544	6,250,612
<b>Year ended 31 August 2018:</b>						
Profit and total comprehensive income for the year		-	-	-	1,572,685	1,572,685
Dividends	11	-	-	-	(586,202)	(586,202)
<b>Balance at 31 August 2018</b>		964	624,106	5,998	6,606,026	7,237,094
<b>Year ended 31 August 2019:</b>						
Profit and total comprehensive income for the year		-	-	-	2,365,900	2,365,900
<b>Balance at 31 August 2019</b>		964	624,105	5,998	8,971,926	9,602,993

# CONCRETE CANVAS GROUP LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 September 2017</b>		964	24,475	5,998	4,363,312	4,394,750
<b>Year ended 31 August 2018:</b>						
Profit and total comprehensive income for the year		-	-	-	1,697,501	1,697,501
Dividends	11	-	-	-	(586,202)	(586,202)
<b>Balance at 31 August 2018</b>		964	24,475	5,998	5,474,611	5,506,048
<b>Year ended 31 August 2019:</b>						
Profit and total comprehensive income for the year		-	-	-	1,897,507	1,897,507
<b>Balance at 31 August 2019</b>		964	24,475	5,998	7,372,118	7,403,554



# CONCRETE CANVAS GROUP LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

		2019	2018
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	26	2,843,692	1,678,442
Interest paid		(2,770)	(6,892)
Income taxes paid		-	(62,931)
<b>Net cash inflow from operating activities</b>		2,840,922	1,608,619
<b>Investing activities</b>			
Purchase of intangible assets		(546,174)	(489,038)
Proceeds on disposal of intangibles		-	(2,290)
Purchase of tangible fixed assets		(1,262,637)	(4,023,195)
Proceeds on disposal of tangible fixed assets		-	2,290
Interest received		51	51
<b>Net cash used in investing activities</b>		(1,808,760)	(4,512,182)
<b>Financing activities</b>			
Repayment of bank loans		(354,179)	354,179
Dividends paid to equity shareholders		-	(586,202)
<b>Net cash used in financing activities</b>		(354,179)	(232,023)
<b>Net increase/(decrease) in cash and cash equivalents</b>		677,983	(3,135,586)
Cash and cash equivalents at beginning of year		269,793	3,405,379
<b>Cash and cash equivalents at end of year</b>		947,776	269,793
<b>Relating to:</b>			
Cash at bank and in hand		947,776	273,584
Bank overdrafts included in creditors payable within one year		-	(3,791)

# CONCRETE CANVAS GROUP LIMITED

## COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	27		(1,883,621)		(2,790,710)
<b>Investing activities</b>					
Interest received		51		51	
Dividends received		1,900,000		1,700,000	
<b>Net cash generated from investing activities</b>			1,900,051		1,700,051
<b>Financing activities</b>					
Dividends paid to equity shareholders		-		(586,202)	
<b>Net cash used in financing activities</b>			-		(586,202)
<b>Net increase/(decrease) in cash and cash equivalents</b>			16,430		(1,676,861)
Cash and cash equivalents at beginning of year			(3,694)		1,673,167
<b>Cash and cash equivalents at end of year</b>			12,736		(3,694)
<b>Relating to:</b>					
Cash at bank and in hand			12,736		37
Bank overdrafts included in creditors payable within one year			-		(3,731)

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies

#### Company information

Concrete Canvas Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 3, Block A22, Severn Road Treforest Industrial Estate, PONTYPRIDD, Mid Glamorgan, UK, CF37 5SP.

The group consists of Concrete Canvas Group Limited and all of its subsidiaries.

#### 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.

#### 1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated financial statements incorporate those of Concrete Canvas Group Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 August 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### 1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies (Continued)

#### 1.4 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

#### 1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

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

Patents	10% on cost
Development Costs	10% on cost

#### 1.7 Tangible fixed assets

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

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

Land and buildings Freehold	10% on cost of improvements
Plant and machinery	10% Straight Line Method
Fixtures, fittings & equipment	10% Straight Line Method
Computer equipment	10% Straight Line Method
Motor vehicles	10% Straight Line Method

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 recognised in the profit and loss account.

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies (Continued)

#### 1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.9 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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. Reversals of impairment losses are also recognised in profit or loss.

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies (Continued)

#### 1.11 Cash at bank and in hand

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

#### 1.12 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 debtors 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 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.

##### **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 publicly 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 and 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.

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 group 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.

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies (Continued)

#### **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 group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

### 1.14 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 group'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 if, and only if, there is 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.

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 1 Accounting policies (Continued)

#### 1.15 Employee benefits

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

#### 1.16 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 except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

### 3 Turnover and other revenue

	2019	2018
	£	£
<b>Turnover analysed by class of business</b>		
Sales	13,437,201	10,924,467
Rental income	88,382	-
	<u>13,525,583</u>	<u>10,924,467</u>
	2019	2018
	£	£
<b>Other significant revenue</b>		
Interest income	51	51
	<u>51</u>	<u>51</u>



# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 3 Turnover and other revenue (Continued)

	2019 £	2018 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	1,832,308	1,071,376
Europe	1,560,218	327,176
North America	1,652,977	7,271,163
Rest of the world	8,480,080	2,254,752
	<u>13,525,583</u>	<u>10,924,467</u>

### 4 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging:		
Exchange losses	3,990	83,952
Research and development costs	260,620	67,357
Depreciation of owned tangible fixed assets	311,550	193,934
Amortisation of intangible assets	291,054	236,437
Cost of stocks recognised as an expense	6,309,072	5,441,556
Operating lease charges	37,568	17,399
	<u>6,914,094</u>	<u>6,040,635</u>

### 5 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	2,000	-
Audit of the financial statements of the company's subsidiaries	11,000	-
	<u>13,000</u>	<u>-</u>

### 6 Employees

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

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Employees	42	36	-	-
Directors	3	3	3	3
	<u>45</u>	<u>39</u>	<u>3</u>	<u>3</u>

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	2,671,793	2,073,556	-	-

### 7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	103,342	16,058

### 8 Interest receivable and similar income

	2019 £	2018 £
<b>Interest income</b>		
Interest on bank deposits	51	51

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	51	51
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### 9 Interest payable and similar expenses

	2019 £	2018 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	2,770	4,476
<b>Other finance costs:</b>		
Other interest	-	2,416
Total finance costs	2,770	6,892

### 10 Taxation

	2019 £	2018 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	20,470
Adjustments in respect of prior periods	-	(1,094)
Total current tax	-	19,376

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 10 Taxation

	2019 £	2018 £ (Continued)
<b>Deferred tax</b>		
Origination and reversal of timing differences	145,095	1,134
	<u>145,095</u>	<u>1,134</u>
 Total tax charge	 145,095	 20,510
	<u>145,095</u>	<u>20,510</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	2,510,995	1,593,195
	<u>2,510,995</u>	<u>1,593,195</u>
 Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	 477,089	 302,707
Tax effect of expenses that are not deductible in determining taxable profit	38,721	38,118
Research and development tax credit	(227,650)	(159,277)
Other permanent differences	33,765	3,370
Other tax deductions	(4,896)	-
Patent box deductions	(171,934)	(164,408)
	<u>145,095</u>	<u>20,510</u>
Taxation charge	145,095	20,510
	<u>145,095</u>	<u>20,510</u>

### 11 Dividends

	2019 £	2018 £
Interim paid	-	586,202
	<u>-</u>	<u>586,202</u>

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 12 Intangible fixed assets

Group	Patents £	Development Costs £	Total £
<b>Cost</b>			
At 1 September 2018	726,595	1,637,765	2,364,360
Additions - internally developed	-	447,641	447,641
Additions - separately acquired	98,533	-	98,533
At 31 August 2019	825,128	2,085,406	2,910,534
<b>Amortisation and impairment</b>			
At 1 September 2018	318,855	847,256	1,166,111
Amortisation charged for the year	82,513	208,541	291,054
At 31 August 2019	401,368	1,055,797	1,457,165
<b>Carrying amount</b>			
At 31 August 2019	423,760	1,029,609	1,453,369
At 31 August 2018	407,740	790,509	1,198,249

The company had no intangible fixed assets at 31 August 2019 or 31 August 2018.

### 13 Tangible fixed assets

Group	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 September 2018	4,613,658	932,877	55,681	178,325	42,079	5,822,620
Additions	511,427	677,434	-	58,529	15,247	1,262,637
At 31 August 2019	5,125,085	1,610,311	55,681	236,854	57,326	7,085,257
<b>Depreciation and impairment</b>						
At 1 September 2018	203,944	419,771	34,128	73,395	23,723	754,961
Depreciation charged in the year	145,034	135,455	2,728	22,600	5,733	311,550
At 31 August 2019	348,978	555,226	36,856	95,995	29,456	1,066,511
<b>Carrying amount</b>						
At 31 August 2019	4,776,107	1,055,085	18,825	140,859	27,870	6,018,746
At 31 August 2018	4,409,714	513,106	21,553	104,930	18,356	5,067,659

The company had no tangible fixed assets at 31 August 2019 or 31 August 2018.

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 14 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	15	-	-	2,874	2,874
<b>Movements in fixed asset investments</b>					
<b>Company</b>				<b>Shares in group undertakings</b>	
				£	
<b>Cost or valuation</b>					
At 1 September 2018 and 31 August 2019				2,874	
<b>Carrying amount</b>					
At 31 August 2019				2,874	
At 31 August 2018				2,874	

### 15 Subsidiaries

Details of the company's subsidiaries at 31 August 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Concrete Canvas Limited	UK	Manufacture and sale of concrete products	Ordinary	100.00	
Concrete Canvas Properties Limited	UK	Property rental	Ordinary	100.00	
Concrete Canvas Technology Limited	UK	Provision of intellectual property	Ordinary	100.00	

### 16 Financial instruments

	Group 2019 £	2018 £	Company 2019 £	2018 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	2,324,752	1,438,112	7,402,167	5,642,362
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	1,872,459	1,408,325	14,222	139,225

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 17 Stocks

	Group 2019 £	2018 £	Company 2019 £	2018 £
Raw materials and consumables	300,471	281,885	-	-
Work in progress	13,671	3,017	-	-
Finished goods and goods for resale	517,592	355,194	-	-
	<u>831,734</u>	<u>640,096</u>	<u>-</u>	<u>-</u>

### 18 Debtors

	Group 2019 £	2018 £	Company 2019 £	2018 £
<b>Amounts falling due within one year:</b>				
Trade debtors	2,283,013	1,395,671	-	-
Amounts owed by group undertakings	-	-	7,402,167	5,642,362
Other debtors	308,983	239,364	-	-
Prepayments and accrued income	54,730	54,692	-	-
	<u>2,646,726</u>	<u>1,689,727</u>	<u>7,402,167</u>	<u>5,642,362</u>

### 19 Creditors: amounts falling due within one year

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Bank loans and overdrafts	21	-	357,970	-	3,731
Trade creditors		724,344	497,061	-	-
Amounts owed to group undertakings		(1,904,978)	-	-	-
Other taxation and social security		53,908	-	-	-
Other creditors		127,397	147,576	12,023	133,295
Accruals and deferred income		1,020,718	405,718	2,199	2,199
		<u>21,389</u>	<u>1,408,325</u>	<u>14,222</u>	<u>139,225</u>

### 20 Creditors: amounts falling due after more than one year

	Group 2019 £	2018 £	Company 2019 £	2018 £
Amounts owed to group undertakings	1,904,978	-	-	-
	<u>1,904,978</u>	<u>-</u>	<u>-</u>	<u>-</u>

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 21 Loans and overdrafts

	Group 2019 £	2018 £	Company 2019 £	2018 £
Bank loans	-	354,179	-	-
Bank overdrafts	-	3,791	-	3,731
	<u>-</u>	<u>357,970</u>	<u>-</u>	<u>3,731</u>
Payable within one year	-	357,970	-	3,731
	<u>-</u>	<u>357,970</u>	<u>-</u>	<u>3,731</u>

The long-term loans are secured by fixed and floating charge over the assets over the company.

### 22 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2019 £	Liabilities 2018 £
Accelerated capital allowances	368,991	223,896
	<u>368,991</u>	<u>223,896</u>

The company has no deferred tax assets or liabilities.

	Group 2019 £	Company 2019 £
<b>Movements in the year:</b>		
Liability at 1 September 2018	223,896	-
Charge to profit or loss	145,095	-
	<u>368,991</u>	<u>-</u>
Liability at 31 August 2019	368,991	-

# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 23 Share capital

	Group and company	
	2019	2018
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
961,759 Ordinary shares of 0.1p each	962	962
2 Non-voting shares of £1 each	2	2
	<u>964</u>	<u>964</u>

As at September 1st 2018 there were 2,922 shares valued at £10.95 remaining to be issued as part of the share option scheme. None of these options were exercised during the year.

As at September 1st 2018 there were 15,989 shares valued at £6.80 remaining to be issued as part of the share option scheme. None of these options were exercised during the year.

No further share options were granted in the year.

### 24 Operating lease commitments

#### Lessee

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

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Within one year	355,976	252,115	-	-
Between two and five years	62,788	77,792	-	-
	<u>418,764</u>	<u>329,907</u>	<u>-</u>	<u>-</u>

### 25 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Acquisition of tangible fixed assets	263,208	-	-	-
	<u>263,208</u>	<u>-</u>	<u>-</u>	<u>-</u>



# CONCRETE CANVAS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 26 Cash generated from group operations

	2019 £	2018 £
Profit for the year after tax	2,365,900	1,572,685
<b>Adjustments for:</b>		
Taxation charged	145,095	20,510
Finance costs	2,769	6,892
Investment income	(51)	(51)
Amortisation and impairment of intangible assets	291,054	236,437
Depreciation and impairment of tangible fixed assets	311,550	193,934
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(191,638)	119,252
Increase in debtors	(956,999)	(807,619)
Increase in creditors	876,012	336,402
<b>Cash generated from operations</b>	<b>2,843,692</b>	<b>1,678,442</b>

### 27 Cash absorbed by operations - company

	2019 £	2018 £
Profit for the year after tax	1,897,507	1,697,501
<b>Adjustments for:</b>		
Investment income	(1,900,051)	(1,700,051)
<b>Movements in working capital:</b>		
Increase in debtors	(1,759,805)	(2,921,456)
(Decrease)/increase in creditors	(121,272)	133,296
<b>Cash absorbed by operations</b>	<b>(1,883,621)</b>	<b>(2,790,710)</b>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.