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Company Registration No. 10287536 (England and Wales)

THE ACE SUPPLY HOLDING COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018



THE ACE SUPPLY HOLDING COMPANY LIMITED

COMPANY INFORMATION

Directors

D Silverman
M Silverman
D Davis

Company number

10287536

Registered office

Regency House
45-51 Chorley New Road
Bolton
Lancashire
BL1 4QR

Auditor

Cowgill Holloway LLP
Regency House
45-53 Chorley New Road
Bolton
BL1 4QR

THE ACE SUPPLY HOLDING COMPANY LIMITED

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THE ACE SUPPLY HOLDING COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present the strategic report for the Year ended 30 June 2018.

Fair review of the business

The Ace Supply Holding Company Limited was incorporated on 20th July 2016 and purchased 100% of the share capital of The Ace Supply Company Limited on 20th June 2017. The Ace Supply Company Ltd is one of the UK's largest distributors of car, caravan, leisure and travel accessories, trading as Streetwise Accessories.

There have not been any significant changes to the company's or group's principal activities during the year under review. The Directors are not aware, at the date of this report, of any likely changes to the principal activities in the next year.

The group's turnover for the year ended 30 June 2018 amounted to £14,345,095, compared to £14,306,533 for 2017 (though only £431,156 arose post acquisition by the newly formed holding company last period). The Directors are pleased that levels of turnover have been maintained, when compared to 2017.

Due to effective management of costs and monitoring of exchange rates applied to overseas purchases, the group's gross profit margin has increased.

The Group's gross profit has marginally improved by 2% from 25% in 2017 to 27% in 2018. This has been achieved by effective management of overseas purchases and close monitoring of exchange rates for the group. This level of profitability has been sustained following the period end.

Despite the impact of Brexit and the resultant foreign currency rate uncertainty, profitability has been maintained and the future business prospects remain healthy.

Both distribution and administrative expenses have reduced slightly (on a 12 month comparable basis) for the group, highlighting effective cost management. Certain costs incurred in 2017 were also one-off in nature, so reductions are as expected.

The year ended 30 June 2018 resulted in a consolidated profit before tax of £991,893, achieving a 19% increase when compared to the prior year (on a 12 month comparable basis).

The group has significant net assets of £2,813,911, achieving a growth of 25.2% from the prior period-end. This places the group in a strong and stable financial position.

THE ACE SUPPLY HOLDING COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Principal risks and uncertainties

Foreign Currency Risk

Risks faced by the group during the forthcoming year relate to overseas purchases. With exchange rates fluctuating due to Brexit, gross margin and the need for hedging is being continually monitored by the Directors.

It may not always be possible to maintain gross margin against a backdrop of increasing product prices as clients are reluctant to accept price increases mid-year as they are unable to pass these onto their end customers, therefore these are absorbed by the group where agreements are in place. Management regularly monitor all aspects of product costs and labour cost in order to speedily react to any and all adverse influences which might affect achieved margins.

Liquidity Risk

The group seeks to manage financial risk by ensuring liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by an invoice discounting facility.

Credit Risk

The principal credit risk arises from the group's trade debtors.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Brexit

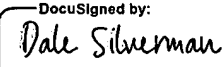
Following the decision to leave the European Union as a result of the referendum vote on 23 June 2016, uncertainty has increased surrounding the outlook of the UK economy. Although at present there appears to be minimal impact on consumer confidence, this uncertainty may ultimately impact on market confidence and as a result could potentially impact on the demand and price for products/services, which in turn may affect revenue, profit and cash flow.

Future developments

The group will continue to import and distribute motor vehicle, leisure and garden accessories.

The group has sufficient financial resources in place to execute its strategy and continue to develop to the future

On behalf of the board

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D Silverman

Director
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THE ACE SUPPLY HOLDING COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2018

The directors present their annual report and financial statements for the Year ended 30 June 2018.

Principal activities

The company was incorporated on 20th July 2016. The company acquire the entire share capital of The Ace Supply Company Limited on 20th June 2017. The principal activity of the company and group is that of the import and distribution of motor vehicle and leisure and garden accessories.

Directors

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

D Silverman
M Silverman
D Davis

Results and dividends

The results for the Year are set out on page 8.

Ordinary dividends were paid amounting to £250,000. The directors do not recommend payment of a further dividend.

Auditor

The auditor, Cowgill Holloway LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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 group and 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.

THE ACE SUPPLY HOLDING COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

On behalf of the board

DocuSigned by:

Dale Silverman

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D Silverman

Director

Date: 19/3/2019 | 11:26 AM GMT

THE ACE SUPPLY HOLDING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ACE SUPPLY HOLDING COMPANY LIMITED

Opinion

We have audited the financial statements of The Ace Supply Holding Company Limited (the 'parent company') and its subsidiaries (the 'group') for the Year ended 30 June 2018 which comprise the group profit and loss account, 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 30 June 2018 and of the group's profit 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 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.

THE ACE SUPPLY HOLDING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE ACE SUPPLY HOLDING COMPANY LIMITED

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.

THE ACE SUPPLY HOLDING COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE ACE SUPPLY HOLDING COMPANY LIMITED

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.

DocuSigned by:
Ian Johnson
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Ian Johnson (Senior Statutory Auditor)
for and on behalf of Cowgill Holloway LLP

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Chartered Accountants
Statutory Auditor

Regency House
45-53 Chorley New Road
Bolton
BL1 4QR

THE ACE SUPPLY HOLDING COMPANY LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2018

		Year ended 30 June 2018 £	Period ended 30 June 2017 £
	Notes		
Turnover	3	14,345,095	431,156
Cost of sales		(10,433,593)	(322,248)
Gross profit		3,911,502	108,908
Distribution costs		(1,865,890)	(57,101)
Administrative expenses		(994,862)	(25,567)
Other operating income		2,281	11
Operating profit	4	1,053,031	26,251
Interest receivable and similar income	8	20	177
Interest payable and similar expenses	9	(61,158)	(1,386)
Profit before taxation		991,893	25,042
Tax on profit	10	(174,901)	(3,608)
Profit for the financial Year		816,992	21,434

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

THE ACE SUPPLY HOLDING COMPANY LIMITED**GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Year ended 30 June 2018 £	Period ended 30 June 2017 £
Profit for the Year	816,992	21,434
Other comprehensive income	-	-
Total comprehensive income for the Year	<u>816,992</u>	<u>21,434</u>

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

THE ACE SUPPLY HOLDING COMPANY LIMITED

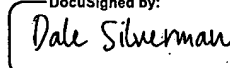
GROUP BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Goodwill	12	(894,571)		(994,577)	
Tangible assets	13	262,615		279,045	
		<u>(631,956)</u>		<u>(715,532)</u>	
Current assets					
Stocks	17	3,796,676		3,730,567	
Debtors	18	3,852,981		3,263,157	
Cash at bank and in hand		154,285		581,389	
		<u>7,803,942</u>		<u>7,575,113</u>	
Creditors: amounts falling due within one year	19	<u>(4,015,750)</u>		<u>(3,830,750)</u>	
Net current assets		<u>3,788,192</u>		<u>3,744,363</u>	
Total assets less current liabilities		<u>3,156,236</u>		<u>3,028,831</u>	
Creditors: amounts falling due after more than one year	20	(323,033)		(631,384)	
Provisions for liabilities	21	(19,292)		(150,528)	
Net assets		<u><u>2,813,911</u></u>		<u><u>2,246,919</u></u>	
Capital and reserves					
Called up share capital	24	3,464		3,464	
Other reserves	25	2,222,021		2,222,021	
Profit and loss reserves		588,426		21,434	
Total equity		<u><u>2,813,911</u></u>		<u><u>2,246,919</u></u>	

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

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 D Silverman
 Director

THE ACE SUPPLY HOLDING COMPANY LIMITED

COMPANY BALANCE SHEET

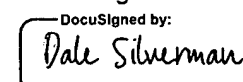
AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Investments	14		3,566,185		3,566,185
Current assets					
Creditors: amounts falling due within one year	19	(560,843)		(709,316)	
Net current liabilities			(560,843)		(709,316)
Total assets less current liabilities			3,005,342		2,856,869
Creditors: amounts falling due after more than one year	20		(323,033)		(631,384)
Net assets			2,682,309		2,225,485
Capital and reserves					
Called up share capital	24		3,464		3,464
Other reserves	25		2,222,021		2,222,021
Profit and loss reserves			456,824		-
Total equity			2,682,309		2,225,485

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 £706,824 (2017 - £0 profit).

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

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 D Silverman
 Director

Company Registration No. 10287536

THE ACE SUPPLY HOLDING COMPANY LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Share capital £	Other reserves £	Profit and loss reserves £	Total £
Balance at 20 July 2016		-	-	-	-
Period ended 30 June 2017:					
Profit and total comprehensive income for the period		-	-	21,434	21,434
Issue of share capital	24	3,464	-	-	3,464
Transfers		-	2,222,021	-	2,222,021
Balance at 30 June 2017		<u>3,464</u>	<u>2,222,021</u>	<u>21,434</u>	<u>2,246,919</u>
Period ended 30 June 2018:					
Profit and total comprehensive income for the period		-	-	816,992	816,992
Dividends	11	-	-	(250,000)	(250,000)
Balance at 30 June 2018		<u>3,464</u>	<u>2,222,021</u>	<u>588,426</u>	<u>2,813,911</u>

THE ACE SUPPLY HOLDING COMPANY LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Share capital £	Other reserves £	Profit and loss reserves £	Total £
Balance at 20 July 2016		-	-	-	-
Period ended 30 June 2017:					
Profit and total comprehensive income for the period		-	-	-	-
Issue of share capital	24	3,464	-	-	3,464
Transfers		-	2,222,021	-	2,222,021
Balance at 30 June 2017		3,464	2,222,021	-	2,225,485
Period ended 30 June 2018:					
Profit and total comprehensive income for the period		-	-	706,824	706,824
Dividends	11	-	-	(250,000)	(250,000)
Balance at 30 June 2018		3,464	2,222,021	456,824	2,682,309

THE ACE SUPPLY HOLDING COMPANY LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		36,772		(2,473,590)
Interest paid			(61,158)		(1,386)
Income taxes (paid)/refunded			(92,933)		109,785
Net cash outflow from operating activities			(117,319)		(2,365,191)
Investing activities					
Purchase of intangible assets		-		1,000,057	
Purchase of tangible fixed assets		(88,205)		(279,045)	
Proceeds on disposal of tangible fixed assets		28,400		(94)	
Interest received		20		177	
Net cash (used in)/generated from investing activities			(59,785)		721,095
Financing activities					
Proceeds from issue of shares		-		2,225,485	
Dividends paid to equity shareholders		(250,000)		-	
Net cash (used in)/generated from financing activities			(250,000)		2,225,485
Net (decrease)/increase in cash and cash equivalents			(427,104)		581,389
Cash and cash equivalents at beginning of Year			581,389		-
Cash and cash equivalents at end of Year			154,285		581,389

THE ACE SUPPLY HOLDING COMPANY LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

		2018		2017	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	28	(456,824)		1,340,700	
Interest paid		(15,090)		-	
Net cash (outflow)/inflow from operating activities		(471,914)		1,340,700	
Investing activities					
Purchase of subsidiaries		-	(3,566,185)		
Dividends received		721,914	-		
Net cash generated from/(used in) investing activities		721,914	(3,566,185)		
Financing activities					
Proceeds from issue of shares		-	2,225,485		
Dividends paid to equity shareholders		(250,000)	-		
Net cash (used in)/generated from financing activities		(250,000)	2,225,485		
Net increase in cash and cash equivalents		-	-		
Cash and cash equivalents at beginning of Year		-	-		
Cash and cash equivalents at end of Year		-	-		

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company information

The Ace Supply Holding Company Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Regency House, 45-51 Chorley New Road, Bolton, Lancashire, BL1 4QR.

The group consists of The Ace Supply Holding Company 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, at fair value. 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 The Ace Supply Holding Company 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 30 June 2018. 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.

The Ace Supply Company Limited has been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account and statement of cash flows include the results and cash flows of The Ace Supply Company Limited from its acquisition on 20 June 2017. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.3 Reporting period

The company/group's comparative reporting period is shorter than 12 months and therefore not entirely comparable. This was due to it being the preliminary set of accounts since the incorporation of the company and formation of the group. The purpose of the short set of accounts was to make the year end coterminous with the company's newly acquired subsidiary.

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.

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 Intangible fixed assets - goodwill

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

1.6 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:

Leasehold improvements	Straight line over the remaining length of the current lease
Plant and equipment	25% p.a. straight line
Fixtures and fittings	25% p.a. reducing balance
Computers	33% p.a. straight line
Motor vehicles	25% p.a. straight line

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.

1.7 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.

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.8 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.

1.9 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.

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.

1.10 Cash at bank and in hand

Cash at bank and in hand 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.

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.11 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.

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.

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.12 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.

1.13 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.

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

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.

1.14 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

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 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1.18 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.

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Tangible Fixed assets

The useful economic life of tangible fixed assets has to be estimated by the directors of the Company to ensure an appropriate depreciation charge is recognised in the year.

3 Turnover and other revenue

	2018 £	2017 £
Turnover analysed by class of business		
Sale of goods	14,345,095	431,156

	2018 £	2017 £
Other significant revenue		
Interest income	20	177

	2018 £	2017 £
Turnover analysed by geographical market		
United Kingdom	14,345,095	431,156

4 Operating profit

	2018 £	2017 £
Operating profit for the period is stated after charging/(crediting):		
Exchange losses/(gains)	21,602	(1,414)
Depreciation of owned tangible fixed assets	90,355	-
(Profit)/loss on disposal of tangible fixed assets	(14,120)	94
Amortisation of intangible assets	(100,006)	(5,480)
Cost of stocks recognised as an expense	9,127,772	282,445
Operating lease charges	271,921	5,554

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

5 Auditor's remuneration

	2018	2017
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	1,000	1,000
Audit of the financial statements of the company's subsidiaries	9,000	8,500
	<u>10,000</u>	<u>9,500</u>

6 Employees

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

	Group 2018 Number	2017 Number	Company 2018 Number	2017 Number
Distribution	28	32	-	-
Administration	13	11	-	-
Sales	8	6	-	-
	<u>49</u>	<u>49</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2018 £	2017 £	Company 2018 £	2017 £
Wages and salaries	1,205,875	35,016	-	-
Social security costs	115,156	2,720	-	-
Pension costs	42,168	1,034	-	-
	<u>1,363,199</u>	<u>38,770</u>	<u>-</u>	<u>-</u>
Redundancy payments made or committed	<u>3,030</u>	<u>-</u>	<u>-</u>	<u>-</u>

7 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	79,171	1,762
Company pension contributions to defined contribution schemes	5,900	-
	<u>85,071</u>	<u>1,762</u>

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

8 Interest receivable and similar income

	2018	2017
	£	£
Interest income		
Interest on bank deposits	-	1
Other interest income	20	176
	<u>20</u>	<u>177</u>
Total income	<u>20</u>	<u>177</u>

9 Interest payable and similar expenses

	2018	2017
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	46,068	1,275
Other finance costs:		
Other interest	15,090	111
	<u>61,158</u>	<u>1,386</u>
Total finance costs	<u>61,158</u>	<u>1,386</u>

10 Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax on profits for the current period	176,069	4,013
Adjustments in respect of prior periods	68	-
	<u>176,137</u>	<u>4,013</u>
Deferred tax		
Origination and reversal of timing differences	(1,236)	(405)
	<u>(1,236)</u>	<u>(405)</u>
Total tax charge	<u>174,901</u>	<u>3,608</u>

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

10 Taxation

(Continued)

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

	2018 £	2017 £
Profit before taxation	991,893	25,042
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.75%)	188,460	4,946
Tax effect of expenses that are not deductible in determining taxable profit	5,374	132
Adjustments in respect of prior years	68	-
Effect of change in corporation tax rate	-	(69)
Deferred tax adjustments in respect of prior years	-	(319)
Amortisation	(19,001)	(1,082)
Taxation charge	174,901	3,608

11 Dividends

	2018 £	2017 £
Interim paid	250,000	-

12 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 July 2017 and 30 June 2018	(1,000,057)
Amortisation and impairment	
At 1 July 2017	(5,480)
Amortisation charged for the Year	(100,006)
At 30 June 2018	(105,486)
Carrying amount	
At 30 June 2018	(894,571)
At 30 June 2017	(994,577)

The company had no intangible fixed assets at 30 June 2018 or 30 June 2017.

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2018

13 Tangible fixed assets

Group	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 July 2017	14,983	35,128	94,863	6,694	127,377	279,045
Additions	9,328	20,720	-	7,832	50,325	88,205
Disposals	-	-	-	(100,454)	(74,397)	(174,851)
At 30 June 2018	24,311	55,848	94,863	(85,928)	103,305	192,399
Depreciation and impairment						
At 1 July 2017	-	-	-	-	-	-
Depreciation charged in the Year	3,990	12,416	23,172	5,398	45,379	90,355
Eliminated in respect of disposals	-	-	-	(100,454)	(60,117)	(160,571)
At 30 June 2018	3,990	12,416	23,172	(95,056)	(14,738)	(70,216)
Carrying amount						
At 30 June 2018	20,321	43,432	71,691	9,128	118,043	262,615
At 30 June 2017	14,983	35,128	94,863	6,694	127,377	279,045

The company had no tangible fixed assets at 30 June 2018 or 30 June 2017.

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

14 Fixed asset investments

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Investments in subsidiaries	15	-	-	3,566,185	3,566,185

Movements in fixed asset investments Company

	Shares in group undertakings £
Cost or valuation	
At 1 July 2017 and 30 June 2018	3,566,185
Carrying amount	
At 30 June 2018	3,566,185
At 30 June 2017	3,566,185

15 Subsidiaries

Details of the company's subsidiaries at 30 June 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
The Ace Supply Company Limited	England & Wales	Sale of motor vehicle and garden accessories	Ordinary	100.00	

The aggregate capital and reserves and the profit for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
The Ace Supply Company Limited	732,076	4,592,358

16 Financial instruments

	Group 2018 £	2017 £	Company 2018 £	2017 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	3,091,964	2,655,892	-	-
Carrying amount of financial liabilities				
Measured at amortised cost	4,024,215	4,197,942	883,876	1,340,700

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

17 Stocks

	Group 2018 £	2017 £	Company 2018 £	2017 £
Finished goods and goods for resale	3,796,676	3,730,567	-	-

18 Debtors

	Group 2018 £	2017 £	Company 2018 £	2017 £
Amounts falling due within one year:				
Trade debtors	3,083,255	2,647,212	-	-
Corporation tax recoverable	-	40,286	-	-
Other debtors	8,709	8,680	-	-
Prepayments and accrued income	761,017	566,979	-	-
	<u>3,852,981</u>	<u>3,263,157</u>	<u>-</u>	<u>-</u>

19 Creditors: amounts falling due within one year

	Group 2018 £	2017 £	Company 2018 £	2017 £
Trade creditors	1,419,468	1,458,978	-	-
Amounts owed to group undertakings	-	-	319,965	444,132
Corporation tax payable	176,069	133,151	-	-
Other taxation and social security	138,499	131,041	-	-
Other creditors	2,150,604	1,895,314	240,878	240,000
Accruals and deferred income	131,110	212,266	-	25,184
	<u>4,015,750</u>	<u>3,830,750</u>	<u>560,843</u>	<u>709,316</u>

Included in other creditors is £1,775,954 (2017:£1,459,216) in respect of an invoice discounting facility, which is secured on trade debtors to which they relate.

Also included in Other creditors is deferred consideration of £240,000 (2017:£240,000) owed to L Millman, a director of the company's subsidiary, who resigned on 20 June 2017.

20 Creditors: amounts falling due after more than one year

	Group 2018 £	2017 £	Company 2018 £	2017 £
Other creditors	<u>323,033</u>	<u>631,384</u>	<u>323,033</u>	<u>631,384</u>

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

20 Creditors: amounts falling due after more than one year (Continued)

Other creditors relates to deferred consideration owed to L Millman, a director of the company's subsidiary, who resigned on 20 June 2017.

21 Provisions for liabilities

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Deferred tax liabilities	22	19,292	130,000 20,528	-	-
		<u>19,292</u>	<u>150,528</u>	<u>-</u>	<u>-</u>

Movements on provisions apart from deferred tax liabilities:

Group	Dilapidations provision £
At 1 July 2017	130,000
Utilisation of provision	(130,000)
At 30 June 2018	<u>-</u>

22 Deferred taxation

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

Group	Liabilities 2018 £	Liabilities 2017 £
Accelerated capital allowances	<u>19,292</u>	<u>20,528</u>

The company has no deferred tax assets or liabilities.

Movements in the Year:	Group 2018 £	Company 2018 £
Liability at 1 July 2017	20,528	-
Credit to profit or loss	(1,236)	-
Liability at 30 June 2018	<u>19,292</u>	<u>-</u>

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

22 Deferred taxation

(Continued)

The deferred tax liability set out above relates to accelerated capital allowances that are expected to reserve over the life of the asset.

23 Retirement benefit schemes

	2018	2017
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	42,168	1,034

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Share capital

	Group and company	
	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
9,670 Ordinary A Shares of 10p each	967	967
24,970 Ordinary C Shares of 10p each	2,497	2,497
	3,464	3,464

THE ACE SUPPLY HOLDING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

25 Reserves

Other reserves relates to merger reserve arising on a share for share exchange in respect of the subsidiary, The Ace Supply Company Limited on 20 June 2017.

26 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 2018 £	2017 £	Company 2018 £	2017 £
Within one year	199,820	195,622	-	-
Between two and five years	783,322	1,025,416	-	-
In over five years	11,918	16,678	-	-
	<u>995,060</u>	<u>1,237,716</u>	<u>-</u>	<u>-</u>

27 Cash generated from group operations

	2018 £	2017 £
Profit for the Year after tax	816,990	21,434
Adjustments for:		
Taxation charged	174,901	3,608
Finance costs	61,158	1,386
Investment income	(20)	(177)
(Gain)/loss on disposal of tangible fixed assets	(14,120)	94
Amortisation and impairment of intangible assets	(100,006)	(5,480)
Depreciation and impairment of tangible fixed assets	90,355	-
(Decrease)/increase in provisions	(130,000)	130,000
Movements in working capital:		
(Increase) in stocks	(66,109)	(3,730,567)
(Increase) in debtors	(630,108)	(3,222,871)
(Decrease)/increase in creditors	(166,269)	4,328,983
Cash generated from/(absorbed by) operations	<u>36,772</u>	<u>(2,473,590)</u>

THE ACE SUPPLY HOLDING COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2018****28 Cash generated from operations - company**

	2018	2017
	£	£
Profit for the Year after tax	706,824	-
Adjustments for:		
Finance costs	15,090	-
Investment income	(721,914)	-
Movements in working capital:		
(Decrease)/increase in creditors	(456,824)	1,340,700
Cash (absorbed by)/generated from operations	(456,824)	1,340,700