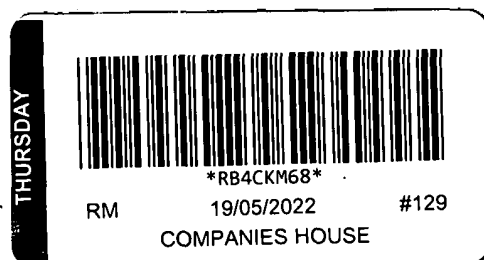


Company Registration No: 04923718 (England and Wales)

**ABINGDON FLOORING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021**

**AMENDING PREVIOUS
SUBMISSION**

Moj



ABINGDON FLOORING LIMITED

COMPANY INFORMATION

Directors

Mr M Peace
Mr G B Wilding
Mr A W Stephens
Mr P Murphy (Resigned 23 August 2021)

Secretary

Mr A W Stephens

Company Number

04923718

Registered office

Parkway, Pen Y Fan Industrial Estate
Croespenmaen
Crumlin
Newport
UK
NP11 4XG

Independent auditors

Grant Thornton UK LLP
The Colmore Building
20 Colmore Circus
Birmingham
B4 6AT

ABINGDON FLOORING LIMITED

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ABINGDON FLOORING LIMITED

STRATEGIC REPORT

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

Principal activities

The company manufactures and distributes carpets.

There have been no significant changes in the company's principal activities in the period under review.

Review of the business

We are pleased to report strong results for the 53 week period ended 3rd April 2021 (2020: 52 week period). The KPI's monitored by the Board and the Company's performance against these are set out in the table below.

	2021	2020	YoY
Turnover £m	£ 82.3	£ 82.1	0%
Gross Profit £m	£ 27.1	£ 26.6	2%
Gross Profit %	33.0%	32.4%	57 bps
Profit after tax £m	£ 4.7	£ 1.3	261%
Profit after tax %	5.8%	1.6%	415 bps

Revenue showed small growth of £0.3M (0.4%) which is a strong result considering our sales were heavily impacted by national lockdowns in the first quarter of the year where our revenue reduced by 70% across the three months alone. This strong performance was driven by a) our positioning in June to enable a rapid bounce back with flexible manufacturing and a strong motivated salesforce; which led to market share being taken from competitors, b) our varied customer base as the construction industry continued to be serviced through most of the lockdown and c) taking advantage of strong market conditions which favoured the home improvements sector.

All of these were underpinned by strong Gross Profit Margins driven by the completion and scaling of improvement projects that Abingdon had been investing in over the past 2 years a) streamlining and modernising product ranges b) multimillion-pound investments in manufacturing processes and c) a full year effect of improvements to raw material procurement processes. In addition to this the Victoria plc distribution arm continued to deliver above 90% of orders within three days of order.

Abingdon Flooring did benefit from the UK Government Job Retention scheme and received claims of £1.6M.

Section 172(1) statement

Section 172 of the Companies Act 2006 requires a Director of a company to act in the way they consider, in good faith would be most likely to promote the success of the company for the benefit of the members as a whole. In doing this, section 172 requires a Director to have regard, among other matters, to:

- The likely consequences of any decisions in the long term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business and conduct; and
- The need to act fairly between shareholders of the company.

ABINGDON FLOORING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

During the year ended 03 April 2021 the Directors consider they have, individually and collectively, acted in a way that is most likely to promote the success of the Company for the benefit of its shareholders as a whole and have given due consideration to each of the above matters in discharging their duties under section 172. The stakeholders we consider in this regard are our employees, customers, suppliers and the community and the environment. The board recognises the importance of the relationships with our stakeholders in supporting the delivery of our strategy and operating the business in a sustainable manner.

Further details of our stakeholder engagement are set out below:

Employees

Our employees are integral to the successful delivery on the Company's strategy. Employees knowledge, skills and experience are key to maintaining our strong customer and supplier relationships. As such, the Company is focused on the recruitment, development, retention, and reward of its employees. Employees are encouraged to attend training courses and there is regular consultation with employee representatives to ensure that employees are informed of all matters affecting them. Within the bounds of law, regulation and commercial confidentiality, information is shared to all levels of staff about matters that affect the progress of the Company and are of interest and concern to them as employees.

Customers

Our customers are of paramount importance and the Company seeks to retain customers and establish long and lasting relationships with them, built on mutual respect and trust. The Company is focused on producing quality flooring products at competitive prices for our customers. We meet with our customers regularly to ensure we are offering the right products and level of service and responding to customer feedback to ensure we meet their expectations. Our customer relationships and manufacturing flexibility also aid diversification of our product portfolio. Our close relationships with our customers provide us with valuable feedback, enabling us to adapt quickly to changes in end-consumer preferences.

Suppliers

The Company endeavours to forge strong relationships with suppliers built on honesty, fairness, and mutual respect. We meet with key suppliers on a regular basis and take reasonable steps to ensure our suppliers comply with our standards, such as those relating to environmental responsibility, modern slavery, data protection, human rights, and ethics.

Community and the environment

As a manufacturing business, there is a risk that some of the Company's activities could have an adverse impact on the local environment. Policies are in place to mitigate these risks, and the Company is committed to full compliance with all relevant health and safety and environmental regulations.

Future Developments

In Q1 of this year Abingdon Flooring has been impacted by significant price pressure in the raw materials used in the manufacturing processes and also in the global logistics arena. We have moved quickly to increase prices to customers to mitigate as much of this as possible.

The market in which Abingdon Flooring operates remains an extremely competitive one meaning the whole focus remains on reacting quickly to these market conditions. We are well placed to do that because of the structural changes mentioned above a strong motivated sales force and by developing and providing innovative, cost-effective products to the market by utilising the new investments in manufacturing and the world class supply chain.

ABINGDON FLOORING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

Principal risks and uncertainties

The Board and senior management team of the Company identifies and monitors principal risks and uncertainties on an ongoing basis. These include:

Covid-19

The issues surrounding Covid-19 have the capacity to impact companies' earnings by interrupting supply chains, workforce sustainability, and demand. Unquestionably a decline in demand is the most relevant risk to the Company.

The Company is well positioned to manage this short-term risk and uncertainty; the key reasons being:

- a. The Company enjoys comparatively low operational gearing;
- b. The Company's supply chain is highly diversified and invariably localised to the key manufacturing plants. Our access to raw materials remains secure and we will be able to meet demand as it arises;
- c. The Company have a highly experienced and motivated operational management team with a track record of successfully navigating through deep economic downturns;
- d. The Company has a strong balance sheet with sufficient cash on hand to support the business in even the most severe scenarios we have modelled.

Competition

The Company operates in mature and highly competitive markets, resulting in pressure on pricing and margins. Management regularly review competitor activity to devise strategies to protect the Company's position as far as possible.

Economic conditions

The operating and financial performance of the Company is influenced by specific economic conditions within the geographic areas within which it operates, in particular the UK. The Company remains focused on driving efficiency improvements, cost reductions and ongoing product development to adapt to the current market conditions.

Key input prices

Material adverse changes in certain raw material prices – in particular wool and synthetic yarn – could affect the Company's profitability. A proportion of these costs are denominated in US Dollars, a currency in which the Company has no income. Key input prices are closely monitored and the Company has a sufficiently broad base of suppliers to remove arbitrage risk, as well as being of such a scale that it is able to benefit from certain economies arising from this.

Other operational risks

In common with many businesses, sustainability of the Company's performance is subject to a number of operational risks, including major incidents that may interrupt planned production, cyber security breaches and the recruitment and retention of key employees. These risks are monitored by the Board and senior management team and appropriate mitigating actions taken.

Credit risk

The directors consider the main credit risk being the risk of customers defaulting on payments. This risk is mitigated by the company's strong credit control procedures.

Liquidity risk

The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the company has a pledge of financial support from Victoria P.L.C., the ultimate parent undertaking.

Alastair Stephens

Mr A Stephens

8/3/2022

Director

ABINGDON FLOORING LIMITED

DIRECTORS' REPORT

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

Results and dividends

The results for the period are set out on page 10.

Dividends of £nil were paid during the year (2020: £Nil).

Directors

The directors who served throughout the period, and subsequently, were as follows:

Mr M W Peace
Mr G B Wilding
Mr A W Stephens
Mr P Murphy (resigned 23rd August 2021)

Qualifying third party indemnity provisions

The company has provided qualifying third party indemnity provisions in respect of the board of directors which were in force during the year and at the date of the report.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee involvement

The company places value on the involvement of its employees, keeping them informed on matters affecting them as employees on the various factors affecting the performance of the company. This is achieved through formal and informal meetings.

Additional information on how the Board engages with its employees and other stakeholders can be found in our S172 statement within the Strategic Report.

Auditor

A resolution to reappoint Grant Thornton UK LLP as the auditor of the company will be proposed at the next Annual General meeting of the company.

Going Concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

As part of the Victoria P.L.C. group the Company is supported by the group's treasury management and strong group balance sheet which has sufficient cash on hand to support the business in even the most severe scenarios the directors have modelled.

The directors have as a result obtained a letter of continued financial support from the ultimate parent company, Victoria Plc, for at least twelve months from the date of this report. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Streamlined energy and carbon reporting

Abingdon Flooring have taken advantage of the exemption not to disclose energy and carbon information in its own subsidiary accounts as these details are already included in the Victoria P.L.C Group accounts.

ABINGDON FLOORING LIMITED

DIRECTORS' REPORT

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report and Directors' 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, including FRS 101 'Reduced Disclosure Framework'). 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

The directors of the company who held office at the date of approval of this directors' report confirm that:

- so far as they are aware, there is no relevant audit information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

Alastair Stephens

.....
Mr A Stephens

Director 8/3/2022

Date:

ABINGDON FLOORING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABINGDON FLOORING LIMITED

Opinion

We have audited the financial statements of Abingdon Flooring Limited (the 'company') for the 53 week period ended 3 April 2021 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 3 April 2021 and of its 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

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.

ABINGDON FLOORING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ABINGDON FLOORING LIMITED

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

ABINGDON FLOORING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ABINGDON FLOORING LIMITED

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting frameworks (FRS 101 and Companies Act 2006).
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We enquired of management and those charged with governance, concerning the Company's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations; and
 - the detection and response to the risks of fraud.
- We enquired of management and those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated the results of our enquires to relevant supporting documentation.
- Audit procedures performed by the engagement team included:
 - evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
 - identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates;
 - understanding of the legal and regulatory requirements specific to the Company including:
 - the provisions of the applicable legislation;
 - the applicable statutory provisions.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.

ABINGDON FLOORING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ABINGDON FLOORING LIMITED

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- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the Company's operations, including the nature of its revenue sources and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
 - the applicable statutory provisions;
 - the Company's control environment, including the policies and procedures implemented to comply with the requirements of its regulator, the adequacy of procedures for authorisation of transactions, internal review procedures over the Company's compliance with regulatory requirements.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Andrew Turner FCA

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Birmingham

8/3/2022

ABINGDON FLOORING LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021**

	Notes	2021 £	2020 £
Turnover	3	82,253,582	82,108,198
Cost of sales		(55,126,882)	(55,507,266)
Gross Profit		27,126,700	26,600,932
Distribution costs		(17,997,416)	(18,886,887)
Administrative expenses		(3,096,238)	(4,601,993)
Exceptional items	4	(684,562)	(822,044)
Other operating income	5	1,595,746	-
Operating profit	6	6,944,230	2,290,008
Interest payable and similar charges	9	(994,995)	(1,039,854)
Profit before taxation		5,949,235	1,250,154
Tax on profit on ordinary activities	11	(1,213,940)	66,980
Profit for the financial year		4,735,295	1,317,134

There was no other comprehensive income for 2021 (2020: £Nil.).

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 14 to 30 form part of these financial statements.

ABINGDON FLOORING LIMITED**BALANCE SHEET****AS AT 03 APRIL 2021**

		2021	2020
	Notes	£	£
Fixed assets			
Tangible fixed assets	12	12,089,215	12,606,257
Right of use assets	13	11,702,150	12,368,777
Investments	14	502	502
		<u>23,791,867</u>	<u>24,975,536</u>
Current assets			
Stocks	16	12,186,920	15,845,332
Deferred tax asset	21	-	399,401
Debtors	17	19,090,273	18,668,385
Cash at bank and in hand		<u>5,855,364</u>	<u>627,935</u>
		<u>37,132,557</u>	<u>35,541,053</u>
Creditors: amounts falling due within one year			
Loans and overdrafts	19	-	3,231,592
Creditors	18	16,429,240	15,550,495
Taxation and social security		2,550,574	1,583,238
Deferred tax liability	21	683,778	-
Obligations under right of use leases	20	<u>645,124</u>	<u>1,263,367</u>
		<u>20,308,717</u>	<u>21,628,692</u>
Net current assets		<u>16,823,840</u>	<u>13,912,361</u>
Total assets less current liabilities		<u>40,615,707</u>	<u>38,887,897</u>
Creditors: amounts falling due after more than one year			
Due to parent company	18	9,338,999	12,576,085
Obligations under right of use leases	20	<u>10,842,360</u>	<u>10,612,759</u>
		<u>20,181,359</u>	<u>23,188,844</u>
Net assets		<u><u>20,434,348</u></u>	<u><u>15,699,053</u></u>

ABINGDON FLOORING LIMITED**BALANCE SHEET (CONTINUED)****AS AT 03 APRIL 2021**

	Notes	2021 £	2020 £
Capital and reserves			
Called up share capital	23	50	50
Share premium account	24	249,950	249,950
Capital redemption reserve	25	100	100
Profit and loss account		20,184,248	15,448,953
Total shareholders' funds		20,434,348	15,699,053

8/3/2022

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

Alastair Stephens

Mr A Stephens

Director

Company Registration No. 04923718

ABINGDON FLOORING LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021**

	Share Capital	Share Premium Account £	Capital Redemption Reserve £	Profit and Loss Account £	Total £
Balance as at 1 April 2019	50	249,950	100	14,131,819	14,381,919
Year ended 28 March 2020:					
Profit and total comprehensive income for the year				1,317,134	1,317,134
Balance at 28 March 2020	50	249,950	100	15,448,953	15,699,053
Year ended 03 April 2021:					
Profit and total comprehensive income for the year				4,735,295	4,735,295
Balance at 03 April 2021	50	249,950	100	20,184,248	20,434,348

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

1 Accounting policies

1.1 Accounting convention

Abingdon Flooring Limited is a private limited company incorporated in England and Wales.

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared under the historical cost convention.

The Company's financial statements are presented in Sterling.

The company's ultimate parent undertaking, Victoria P.L.C., includes the company in its consolidated financial statements. The consolidated financial statements are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and are available to the public and may be obtained from the company's registered address as set out in note 29.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Victoria Plc in which the entity is consolidated;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(c) of IAS 16 Property Plant and Equipment;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cash flow statement, presentation of comparative information in respect of certain assets, standards not yet effective, impairment of assets, business combinations, discontinued operations and related party transactions.

Where required, equivalent disclosures are given in the consolidated accounts of Victoria P.L.C. The consolidated accounts of Victoria P.L.C are available to the public and can be obtained as set out in note 29.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Abingdon Flooring Limited is a wholly owned subsidiary of Victoria P. L.C and the results of Abingdon Flooring Limited are included in the consolidated financial statements of Victoria P. L.C.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

1 Accounting policies

(Continued)

1.2 Going concern

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

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

As part of the Victoria P.L.C. group the Company is supported by the group's treasury management and strong group balance sheet which has sufficient cash on hand to support the business in even the most severe scenarios the directors have modelled.

The directors have as a result obtained a letter of continued financial support from the ultimate parent company, Victoria P.L.C., for at least twelve months from the date of this report. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Revenue recognition

The company enters into contracts with customers involving one performance obligation being the sale of flooring products. Revenue is recorded at transaction price being the amount of consideration to which the company equates to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties, for example some sales or value added taxes in accordance with IFRS 15. Revenue from the sale of goods is recognised at a point in time when promised goods have been transferred to a customer at which point the performance obligation is considered to have been satisfied. The customer is considered to obtain control of the promised goods at the point of delivery.

The standalone selling price of the product sold to a customer is clearly determined from the contract entered into. The total transaction price is estimated as the amount of consideration to which the company expects to be entitled in exchange for transferring the promised goods after deducting trade discounts and volume rebates which create variability in the transaction price. In determining the variable consideration to be recognised, trade discounts and volume rebates are estimated based on the terms of the contractually agreed arrangements and the amount of consideration to which the company will be entitled in exchange for transferring the promised goods to the customer.

Variable consideration is estimated using the 'most likely amount' method. Payment terms are between 30 and 60 days, therefore the impact of the time value of money is minimal.

1.4 Investments in associates and subsidiaries

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	10% straight line
Fixtures, fittings & equipment	5% to 50% straight line
Plant and machinery	Straight line over 5 to 15 years
Motor vehicles	33% on cost

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.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

1 Accounting policies

(Continued)

1.6 Impairment of tangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible 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.

1.7 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.

1.8 Government grants accounting policy

Government grants relating to the Coronavirus Job Retention Scheme ("CJRS") in the UK, are recognised in profit or loss over the periods necessary to match them with the related costs and are presented as other operating income in the statement of comprehensive income.

1.9 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The company is exempt under FRS 101 from the disclosure requirements of IFRS 13. There was no impact on the company from the adoption of IFRS 13.

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

1.11 Financial assets

The Company's financial assets fall into the categories discussed below, with the allocation depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity.

Unless otherwise indicated, the carrying amounts of the Company's financial assets are a reasonable approximation of their fair values.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Assets held at amortised cost

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables) and deposits held at banks but may also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost as reduced by appropriate allowances for estimated unrecoverable amounts.

The effect of discounting on these financial instruments is not considered to be material.

The Company makes use of a simplified approach to accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are expected shortfalls in contractual cash flows, considering the potential for default at any point during the lifetime of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information to calculate expected credit loss using a provision matrix.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

1 Accounting policies

(Continued)

The Company oversees impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and they have been grouped on the number of days overdue.

Assets held at amortised cost in the company includes loans issued to other group companies. They are initially recognised at fair value less transaction costs that are directly attributable and subsequently at amortised cost reduced by appropriate allowances for credit losses.

For loans with other group companies that are repayable on demand, expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date in accordance with IFRS 9.

For other loans with group companies where the credit risk is deemed to be low a 12-month expected credit loss is recognised in accordance with IFRS 9.

1.12 Financial liabilities

The Company classifies its financial liabilities into one of two categories depending on the purpose for which the liability was incurred.

Unless otherwise indicated, the carrying amounts of the Company's financial liabilities are a reasonable approximation of their fair values.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Financial liabilities measured at amortised cost

These liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost.
- Bank borrowings and amounts due to parent company are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost. Interest is recognised as a finance expense in the income statement.

1.13 Equity instruments

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

1.14 Taxation

Current tax

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

Deferred tax

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the financial statements with their respective tax bases. However, in accordance with the rules set out in IAS 12, no deferred taxes are recognised on the initial recognition of goodwill, nor on the initial recognition of assets or liabilities unless acquired in a business combination or in a transaction that affects tax or accounting profit. In addition, tax losses available to be carried forward as well as other income tax credits to the company are assessed for recognition as deferred tax assets. Deferred tax liabilities are provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

1 Accounting policies

(Continued)

1.15 Employee benefits

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

1.16 Leases

The Company recognises right-of-use assets at cost and lease liabilities at the lease commencement date based on the present value of future lease payments. The right of use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis in line with the Company's accounting policy for property, plant and equipment. The lease liabilities are recognised at amortised cost using the effective interest rate method. The discount rates used reflect the incremental borrowing rate specific to the lease.

1.17 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.18 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or influence.

2 Critical accounting estimates and judgements

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

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

The judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below. There are no critical estimates which are deemed to have a significant impact on the financial statements.

Critical judgements

Stock

Stocks are valued at the lower of cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made, which include forecast consumer demand, the economic environment and stock loss trends.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

3 Turnover

An analysis of the company's turnover is as follows:

	2021	2020
	£	£
Turnover analysed by class of business		
Carpet Sales	<u>82,253,582</u>	<u>82,108,198</u>
	2021	2020
	£	£
Turnover analysed by geographical market		
United Kingdom	73,623,850	73,730,070
Europe	8,604,734	7,839,038
Rest of the world	<u>24,998</u>	<u>539,090</u>
	<u>82,253,582</u>	<u>82,108,198</u>

4 Exceptional Items

	2021	2020
	£	£
Restructuring costs	<u>684,562</u>	<u>822,044</u>

The exceptional costs recorded in the year relate to company restructuring that was carried out during the year. This included redundancy payments in the year which amounted to £403,322 (2020 - £452,456).

5 Other operating income

	2021	2020
	£	£
Other operating income	<u>1,595,746</u>	<u>-</u>

Other operating income includes amounts receivable under the Coronavirus Job Retention Scheme ("CJRS") to reimburse the Company for the wages of certain employees who were furloughed during the period but who remained on the Company's payroll.

As this scheme involves a transfer of resources from government to the entity, it meets the definition of a government grant. The scheme is designed to compensate for staff costs, so amounts received are recognised in the income statement over the same period as the costs to which they relate.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

6 Profit for the year	2021	2020
	£	£
Profit for the year is stated after charging/(crediting):		
Net foreign exchange differences	(201,541)	705,530
Depreciation of property, plant and equipment	4,098,025	4,223,060
Depreciation of right-of-use assets	1,430,391	1,381,397
(Profit)/loss on disposal of property, plant and equipment	229,721	(4,467)
Cost of inventories recognised as an expense	46,497,266	46,734,159
Staff costs (before furlough income received)	11,564,692	11,232,075
Fees payable to the company's auditor for the audit of the company's financial statements	52,000	57,500
Impairment loss recognised on intercompany loans	-	1,018,235

The company has taken advantage of the exemption to not disclose amounts paid for non-audit services as these are disclosed in the group accounts of the ultimate parent company.

7 Employees	2021	2020
	Number	Number
Manufacturing	226	250
Administration	102	83
	<u>328</u>	<u>333</u>

	2021	2020
	£	£
Wages and salaries	10,119,418	9,818,461
Social security costs	1,008,342	965,199
Pension costs	436,933	448,416
Gross staff costs	<u>11,564,692</u>	<u>11,232,076</u>
Employment support receipts	<u>(1,595,746)</u>	<u>-</u>
Employment costs net of government grants	<u>9,968,947</u>	<u>11,232,076</u>

Redundancy payments in the year amount to £403,322 (2020 - £452,456).

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

8 Directors' remuneration	2021	2020
	£	£
Remuneration for qualifying services	347,282	307,431
Company pension cost	49,583	36,791
	<u>396,865</u>	<u>344,222</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>132,590</u>	<u>126,108</u>
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The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2020 - 0).

No pension contributions were made for the highest paid director (2020 - £Nil).

9 Interest payable and similar expenses	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on right-of-use lease liabilities	488,501	485,609
Interest payable to parent undertaking	482,003	541,714
Other finance costs	24,491	12,531
	<u>994,995</u>	<u>1,039,854</u>

10 Amounts provided against intercompany loans	2021	2020
	£	£
Amounts provided against current loans	<u>-</u>	<u>1,018,235</u>

Intercompany loans of £1,018,235 advanced to one of the Company's subsidiaries, Venture Floorcoverings Limited, were provided against during the previous period as the directors did not consider the amounts to be recoverable.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 53 WEEK PERIOD ENDED 03 APRIL 2021

11 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profit for the year	130,761	-
Deferred tax		
Origination and reversal of temporary differences	600,626	(66,980)
Adjustments in respect of prior periods	482,553	-
	1,083,179	(66,980)
Total tax (credit)/charge	1,213,940	(66,980)

The tax assessed for the period is higher than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021	2020
	£	£
Profit before taxation	5,949,235	1,250,154
Expected tax charge/(credit) based on a corporation tax rate of 19.00% (2020: 19.00%)	1,130,355	237,529
Effect of expenses not deductible in determining taxable profit	22,813	323,723
Income not taxable	-	(849)
Unutilised tax losses carried forward	-	-
Group relief	(421,781)	(627,383)
Adjustments to tax charge in respect of prior periods	482,553	-
Taxation (credit)/charge for the year	1,213,940	(66,980)

Factors affecting future tax charges

In the UK budget on 15 March 2021, the Chancellor announced that the rate of corporation tax would increase from its current level of 19% to 25% with effect from 1 April 2023. The rate will remain at 19% until that date. This amendment has now been substantively enacted and will increase the amount of corporation tax payable.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 03 APRIL 2021

12 Tangible fixed assets

	Freehold Buildings	Fixtures, fittings & equipment	Plant and machinery	Motor vehicles	Total
Cost	£	£	£	£	£
At 28 March 2020	606,537	10,171,848	15,527,979	64,446	26,370,810
Additions	2,300	1,987,588	1,832,629	-	3,822,517
Disposals	-	(6,704,663)	(1,732,726)	(11,500)	(8,448,889)
At 03 April 2021	608,837	5,454,773	15,627,882	52,946	21,744,438
Accumulated depreciation and impairment					
At 28 March 2020	368,998	6,190,905	7,174,180	30,470	13,764,553
Charge for the year	85,221	3,107,448	890,952	14,404	4,098,025
Eliminated on disposal	-	(6,704,663)	(1,491,192)	(11,500)	(8,207,355)
At 03 April 2021	454,219	2,593,690	6,573,940	33,374	9,655,223
Carrying amount					
At 03 April 2021	154,618	2,861,083	9,053,942	19,572	12,089,215
At 28 March 2020	237,539	3,980,943	8,353,799	33,976	12,606,257

13 Right-of-use assets

	Land & Buildings - Right-of-use assets	Vehicles - Right-of-use assets	Total
Cost	£	£	£
At 28 March 2020	13,046,041	704,133	13,750,174
Additions	-	763,764	763,764
Disposals	-	(199,914)	(199,914)
At 03 April 2021	13,046,041	1,267,983	14,314,024
Accumulated depreciation and impairment			
At 28 March 2020	1,082,866	298,531	1,381,397
Charge for the year	895,055	535,336	1,430,391
Disposals	-	(199,914)	(199,914)
At 03 April 2021	1,977,921	633,953	2,611,874
Carrying amount			
At 03 April 2021	11,068,120	634,030	11,702,150
At 28 March 2020	11,963,175	405,602	12,368,777

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 03 APRIL 2021

13 Right-of-use assets

(Continued)

The company takes advantage of the exemption available in IFRS 16 not to capitalise short-term leases with a duration of less than 12 months or low value leases with a total cash outflow of less than £5,000. These leases have therefore been treated as offbalance sheet operating leases. There are no short-term operating leases held by the Company that are held off balance sheet.

The related right-of-use lease liabilities and maturity analysis are presented in note 20.

Interest expense on right-of-use lease liabilities is disclosed in note 20. The total cash outflow in respect of leases was £1,695,822.

14 Investments

	Current		Non-current	
	2021	2020	2021	2020
	£	£	£	£
Investments in subsidiaries	<u>-</u>	<u>-</u>	<u>502</u>	<u>502</u>

Fair value of financial assets carried at amortised cost

See note 15 for details of the company's subsidiary undertakings.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 28 March 2020 and 03 April 2021	<u>502</u>
Carrying amount	
At 03 April 2021	<u>502</u>
At 28 March 2020	<u>502</u>

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 03 APRIL 2021

15 Subsidiaries

Details of the company's subsidiaries at 03 April 2021 are as follows:

Name of undertaking	Registered Office	Ownership interest (%)	Voting power held (%)	Nature of business
Distinctive Flooring Limited	Worcester Road, Kidderminster, England, DY10 1JR	100	100	Sales of hard flooring
Venture Floorcoverings Limited	Unit 1 Parkway, Crumlin, Newport, Wales, NP11 3XG	100	100	Sales of soft flooring
Abingdon Flooring (Ireland) Limited	The Black Church, St Mary's Place, Dublin 7	100	100	Sales of soft flooring

16 Stocks

	2021	2020
	£	£
Raw materials	6,309,929	704,731
Work in progress	859,210	888,797
Finished goods	5,017,780	14,251,804
	<u>12,186,920</u>	<u>15,845,332</u>

Due to the closure of the yarn processing division, yarn has been reclassified from finished goods to raw materials during the year. This amounts to £5,077,395 (2020: £7,363,596)

17 Debtors

	2021	2020
	£	£
Trade debtors	9,206,458	8,966,516
Amounts owed by subsidiary undertakings	4,699,762	6,148,508
Amounts owed by fellow group undertakings	4,343,527	2,869,429
Prepayments and accrued income	840,526	683,932
	<u>19,090,273</u>	<u>18,668,385</u>

Amounts owed by subsidiary undertakings and fellow group undertakings are unsecured, interest free and repayable on demand.

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 03 APRIL 2021

18 Creditors	Due within one year		Due after one year	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	11,228,485	13,447,729	-	-
Amounts owed to parent undertakings	-	-	9,338,999	12,576,085
Amounts owed to subsidiary undertakings	503	288,158	-	-
Amounts owed to fellow group undertakings	1,888,316	260,798	-	-
Accruals	3,311,937	1,553,810	-	-
	<u>16,429,240</u>	<u>15,550,495</u>	<u>9,338,999</u>	<u>12,576,085</u>

Interest is charged on the amount owed to parent undertaking at market rates. There are specific repayment terms attached to these balances and the classification as amounts due after one year are reflective of these terms.

Amounts due to fellow group undertakings are unsecured, interest free and repayable on demand.

19 Loans and overdrafts	2021	2020
	£	£
Bank overdrafts	-	3,231,592

The bank facility is secured at group level by Victoria P.L.C.

The bank account is part of a composite accounting arrangement with unlimited guarantees between Abingdon Flooring Limited, Victoria Carpets Limited, Victoria PLC, Globesign Limited, Interfloor Ltd, Westex (Carpets) Limited, Alliance Flooring Distribution Limited and Distinctive Flooring Limited. At 03 April 2021 the UK subsidiaries under this arrangement were in a net cash position of £5.0m (28 March 2020: net cash position of £10.2m).

Bank borrowings are secured by way of debentures over the assets. The parent Company, Victoria PLC, has guaranteed the bank borrowings of its UK subsidiaries.

Analysis of loans and overdrafts

Borrowings are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2021	2020
	£	£
Due within one year liabilities	-	3,231,592

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 03 APRIL 2021

20 Obligations under right-of-use leases

Lease obligations are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2021	2020
	£	£
Current liabilities - Obligations under right-of-use leases	645,124	1,263,367
Non-current liabilities - Obligations under right-of-use leases	10,842,360	10,612,759
	<u>11,487,484</u>	<u>11,876,126</u>

Amounts recognised in profit or loss include the following:

	2021	2020
	£	£
Interest on obligations under right-of-use leases	<u>488,501</u>	<u>485,609</u>

Maturity of right-of-use leases are as follows:

	2021	2020
	£	£
Within one year	1,073,014	1,751,868
In two to five years	5,119,144	5,165,110
In over five years	8,187,869	8,340,192
	<u>14,380,027</u>	<u>15,257,170</u>

Future finance charges and other adjustments

	<u>2,892,543</u>	<u>3,381,044</u>
Lease liabilities in the financial statements	<u>11,487,484</u>	<u>11,876,126</u>

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 03 APRIL 2021

21 Deferred taxation

	Fixed asset timing differences £
Deferred tax asset at 1 April 2019	(332,421)
Deferred tax movements in prior year	
Charge to profit or loss	(66,980)
Deferred tax asset at 28 March 2020	(399,401)
Deferred tax movements in current year	
Charge to profit or loss	1,083,179
Deferred tax liability at 03 April 2021	<u>683,778</u>

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2021 £	2020 £
Temporary timing differences		
Fixed assets	701,390	-
Other	(17,612)	(399,401)
	<u>683,778</u>	<u>(399,401)</u>

22 Retirement benefit schemes

Defined contribution schemes

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

The total costs charged to income in respect of defined contribution plans is £436,933 (2020 - £448,416).

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 03 APRIL 2021

23 Share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
425 Ordinary A of 10	42	42
75 Ordinary B of 10p each	8	8
	<u>50</u>	<u>50</u>

The A and B shares have full voting, dividend and capital distribution rights. They do not confer any rights of redemption.

24 Share premium account

Share premium includes any premiums received on the issue of share capital.

25 Capital redemption reserve

The capital redemption reserve arose on the redemption of convertible shares.

26 Capital commitments

Capital expenditure contracted but not provided for in the financial statements was £1,498,565 (2020: £58,000).

27 Contingent Liability

During the year ended 3 April 2021 the parent company, Victoria Plc, refinanced its €500 million 2024 bonds and announced two new bond issuances of €500 million maturing in August 2026, and €250 million maturing in March 2028. The new coupon rates are 3.625% and 3.75% on the 2026 and 2028 bonds, respectively. Victoria Plc also has a variable rate £75m multi-currency revolving credit facility maturing in 2024. These notes and the revolving credit facility are guaranteed by certain of Victoria Plc's subsidiaries, including Abingdon Flooring Limited.

28 Related party transactions

As permitted by FRS 101 related party disclosures with wholly owned group members of Victoria Plc have not been disclosed (2020: £nil).

ABINGDON FLOORING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 03 APRIL 2021**

29 Controlling party

The largest and smallest group in which the results of the Company are consolidated is that headed by the ultimate parent company Victoria P.L.C. The consolidated accounts of Victoria P.L.C are available on the group's website www.victoriaplc.com, and from Victoria P.L.C, Worcester Road, Kidderminster.