

Company registration number 13397564 (England and Wales)

**JOHN FREDERICKS PLASTICS GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 2022**

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## COMPANY INFORMATION

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<b>Director</b>	Mr M Dicconson	(Appointed 14 May 2021)
<b>Company number</b>	13397564	
<b>Registered office</b>	Lindley Moor Road Huddersfield HD3 3RW	
<b>Auditor</b>	Ensors Accountants LLP Connexions 159 Princes Street Ipswich IP1 1QJ	

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# JOHN FREDERICKS PLASTICS GROUP LIMITED

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# **JOHN FREDERICKS PLASTICS GROUP LIMITED**

## **STRATEGIC REPORT**

***FOR THE PERIOD ENDED 31 OCTOBER 2022***

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The director presents the strategic report for the period ended 31 October 2022.

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

#### **Principal activity**

The company was incorporated on 14 May 2021 as a vehicle for the purchase of John Fredericks Plastics Limited by M Dicconson. Its principal activity is that of an ultimate holding company. The group's main activity continues to be the manufacture and distribution of double glazed UPVC & aluminium doors, windows and conservatories.

#### **Business review**

The financial year ending October 31st, 2022, was a challenging year for UK manufacturing businesses with significant raw material price volatility, labour shortages and increases in the general running costs associated with a company our size. To maintain margin levels and to allow us to continue our program of capital investment in the business, wherever possible these prices were passed on to our customers.

The group's long-term strategy of structured profitable and sustainable growth through a combination of investment in machinery, IT and staff with a solid commitment to exceptional customer service and product innovation, has resulted in a satisfactory financial performance. At John Fredericks Plastics Limited, turnover at £18m was 11% higher than 2021 and tight management control of costs resulted in profit before tax of £1.78m which was a 51% improvement on 2021. Furthermore, a strong focus on fiscal control of debtors and the increased use of SAP in our stock control systems has ensured the increase in profitability has fed through into cashflow.

John Fredericks Plastics Group Limited's post-acquisition turnover was £14.7m with a profit before tax of £1.60m. At the balance sheet date there were no bank borrowings.

#### **Principal risks and uncertainties**

The Director has considered the principal risks and uncertainties during the coming year, many of which are driven by factors which the Director either cannot control, or which are difficult to predict. However, diligent monitoring and swift reaction to adverse factors both act to minimise the potential impact on the business.

The key business risks affecting the Group are considered to be:

- The performance of the UK economy. This is monitored constantly by the Director to enable the Group to react quickly as possible to changed circumstances.
- Cashflow and liquidity risk is managed and minimised by diligent management of the credit control function and credit terms are strictly enforced. Additionally, the wide spread of customers reduces the financial impact of the risk.
- A shortage of labour and increases in staff cost continue to be monitored and actioned accordingly by means of increasing our sales price to attract new staff and retain the existing members.
- The UPVC product industry is extremely competitive, and the Group continually adjusts its product portfolio and pricing structures to ensure it maintains its market share and safeguards margins.
- Commodity price risk. The Director monitors prices and take action to fix prices, although its ability to do so in the current financial year has been severely limited.
- The total turnover of the Group for the year has been derived from its principal activity wholly undertaken in the United Kingdom, and sees currency fluctuations as a result of its purchasing requirements as its main Brexit risk.
- Credit risk. The Director requires appropriate credit checks on all potential customers.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE PERIOD ENDED 31 OCTOBER 2022**

### Key performance indicators

The Director considers that the key financial indicators of the business are turnover, operating profit and bank loans and overdrafts.

As the group has only traded since January 2022, there are no prior year comparatives, but the indicators and comparison with 2021 and prior years for John Fredericks Plastics Limited, the group's trading entity may be summarised as follows:

	Year ended	Year ended	18m ended	Year ended	Year ended
	31-Oct	31-Oct	31-Oct	30-Apr	30-Apr
	2022	2021	2020	2019	2018
	£	£	£	£	£
Turnover	18.0m	15.4m	17.4m	12.0m	11.1
Operating profit/(loss)	1,830k	1,181k	175k	19k	(152k)
Net bank borrowings	(37k)	(18k)	254k	916k	810k

### Other performance indicators

An important nonfinancial key performance indicator ("KPI") is the reportable accidents per employee of which there were none in the current or prior period.

### Future developments

The group's long-term business strategy, continues to be striving to be a customer-focused, innovative and efficient manufacturer of PVC-U and aluminium windows/doors. We employ our continuous development strategy to improve and increase the efficiency of each element of our business. To maximise our profitability, we strive to reduce wastage, improve factory processes and continually upgrade our IT systems. We continue to develop and improve our product range and bespoke marketing package and are constantly offering additional services to customers, enhancing the relationship and strengthening customer retention.

We continue to invest in new machinery, have further upgraded the delivery vehicle fleet and have initiated numerous new IT projects, all to increase capacity whilst ensuring we have the infrastructure to grow our business in a sustainable and structured manner.

The Home Improvement market generally remains buoyant, but there has been a slowdown since the end of 2022. Challenges in the supply chain and labour pool are still evident. Raw material price volatility is continually monitored, and sales prices adjusted accordingly to ensure margin is maintained. The addition of "Energy and Freight" surcharges because of gas/electricity and fuel costs rising alarmingly over the last year have been quantified and passed on to customers at an appropriate level.

On behalf of the board

Mr M Dicconson  
**Director**

16 February 2023

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## DIRECTOR'S REPORT

### FOR THE PERIOD ENDED 31 OCTOBER 2022

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The director presents his report and financial statements for the period ended 31 October 2022.

#### Principal activities

The principal activity of the company during the period was an ultimate holding company.

The principal activity of the group during the period was the manufacture and distribution of double glazed UPVC doors, windows and conservatories.

#### Results and dividends

The results for the period are set out on page 8

Ordinary dividends were paid amounting to £170,000. The director does not recommend payment of a further dividend.

#### Director

The director who held office during the period and up to the date of signature of the financial statements was as follows:

Mr M Dicconson

(Appointed 14 May 2021)

#### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its director during the period. These provisions remain in force at the reporting date.

#### Auditor

Ensors Accountants LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### Statement of disclosure to auditor

As far the director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the director individually has taken all the necessary steps that he ought to have taken as director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### Going concern

The group has continued to trade profitably after the balance sheet date and expects this to continue for the foreseeable future.

The directors have reviewed the company and group's forecasts through to October 2024 to assess the level of finance required. In their consideration of going concern, the directors have reviewed the cash forecasts and revenue projections, which they believe are based on prudent market data and past experience. Forecasts for the years to October 2023 and October 2024 show that the company and group will remain profitable and there is sufficient headroom in the available funding facility to continue as a going concern and meet its liabilities as they fall due.

# **JOHN FREDERICKS PLASTICS GROUP LIMITED**

## **DIRECTOR'S REPORT (CONTINUED)**

***FOR THE PERIOD ENDED 31 OCTOBER 2022***

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On behalf of the board

Mr M Dicconson  
**Director**

16 February 2023

# **JOHN FREDERICKS PLASTICS GROUP LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

***FOR THE PERIOD ENDED 31 OCTOBER 2022***

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The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The director is 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. He is 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.



# JOHN FREDERICKS PLASTICS GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF JOHN FREDERICKS PLASTICS GROUP LIMITED

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#### Opinion

We have audited the financial statements of John Fredericks Plastics Group Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 October 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 October 2022 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 group and parent 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

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

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 group's and parent 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.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF JOHN FREDERICKS PLASTICS GROUP LIMITED

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#### 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

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

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

#### Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing 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 director either intends to liquidate the parent company or to cease operations, or has 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.

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company and group operates in and how the company and group are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;
- reviewed and challenged accounting estimates to ensure no indication of management bias.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **JOHN FREDERICKS PLASTICS GROUP LIMITED**

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

### **TO THE MEMBERS OF JOHN FREDERICKS PLASTICS GROUP LIMITED**

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#### **Use of our report**

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

**Barry Gostling (Senior Statutory Auditor)**  
**For and on behalf of Ensors Accountants LLP**

20 February 2023

**Chartered Accountants**  
**Statutory Auditor**

Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 OCTOBER 2022

	Notes	Period ended 31 October 2022 £
Turnover	3	14,773,044
Cost of sales		(10,627,315)
<b>Gross profit</b>		<b>4,145,729</b>
Administrative expenses		(2,435,060)
<b>Operating profit</b>	<b>4</b>	<b>1,710,669</b>
Interest payable and similar expenses	8	(68,040)
<b>Profit before taxation</b>		<b>1,642,629</b>
Tax on profit	9	(324,715)
<b>Profit for the financial period</b>		<b>1,317,914</b>

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

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

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## GROUP BALANCE SHEET

AS AT 31 OCTOBER 2022

	Notes	2022 £	£
<b>Fixed assets</b>			
Negative goodwill	11		(131,490)
Other intangible assets	11		3,179
			<hr/>
Total intangible assets			(128,311)
Tangible assets	12		1,488,085
			<hr/>
			1,359,774
<b>Current assets</b>			
Stocks	15	1,111,459	
Debtors	16	2,235,349	
Cash at bank and in hand		822,887	
		<hr/>	
		4,169,695	
<b>Creditors: amounts falling due within one year</b>	17	(3,317,512)	
		<hr/>	
<b>Net current assets</b>			852,183
			<hr/>
<b>Total assets less current liabilities</b>			2,211,957
			<hr/>
<b>Creditors: amounts falling due after more than one year</b>	18		(679,927)
			<hr/>
<b>Provisions for liabilities</b>			
Provisions	20	40,871	
Deferred tax liability	21	335,745	
		<hr/>	(376,616)
			<hr/>
<b>Net assets</b>			1,155,414
			<hr/>
<b>Capital and reserves</b>			
Called up share capital	23		7,500
Profit and loss reserves			1,147,914
			<hr/>
<b>Total equity</b>			1,155,414
			<hr/>

The financial statements were approved and signed by the director and authorised for issue on 16 February 2023

Mr M Dicconson  
Director

Company registration number 13397564 (England and Wales)

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## COMPANY BALANCE SHEET

AS AT 31 OCTOBER 2022

	Notes	2022 £	£
<b>Fixed assets</b>			
Investments	13		1,009,170
<b>Current assets</b>			
Cash at bank and in hand		50,000	
<b>Creditors: amounts falling due within one year</b>	17	(731,535)	
<b>Net current liabilities</b>			(681,535)
<b>Net assets</b>			327,635
<b>Capital and reserves</b>			
Called up share capital	23		7,500
Profit and loss reserves			320,135
<b>Total equity</b>			327,635

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 £490,135.

The financial statements were approved and signed by the director and authorised for issue on 16 February 2023

Mr M Dicconson  
**Director**

Company registration number 13397564 (England and Wales)

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 OCTOBER 2022

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 14 May 2021		-	-	-
<b>Period ended 31 October 2022:</b>				
Profit and total comprehensive income for the period		-	1,317,914	1,317,914
Issue of share capital	23	7,500	-	7,500
Dividends	10	-	(170,000)	(170,000)
<b>Balance at 31 October 2022</b>		<u>7,500</u>	<u>1,147,914</u>	<u>1,155,414</u>

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 OCTOBER 2022

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 14 May 2021		-	-	-
<b>Period ended 31 October 2022:</b>				
Profit and total comprehensive income for the period		-	490,135	490,135
Issue of share capital	23	7,500	-	7,500
Dividends	10	-	(170,000)	(170,000)
Balance at 31 October 2022		7,500	320,135	327,635



# JOHN FREDERICKS PLASTICS GROUP LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 OCTOBER 2022

	Notes	2022 £	£
<b>Cash flows from operating activities</b>			
Cash generated from/(absorbed by) operations	29	1,045,521	
Interest paid		(68,040)	
Income taxes paid		(401,423)	
<b>Net cash inflow/(outflow) from operating activities</b>			576,058
<b>Investing activities</b>			
Purchase of business		552,291	
Purchase of intangible assets		(16,270)	
Purchase of tangible fixed assets		(1,040,207)	
<b>Net cash used in investing activities</b>			(504,186)
<b>Financing activities</b>			
Proceeds from issue of shares		5,000	
Payment of finance leases obligations		916,015	
Dividends paid to equity shareholders		(170,000)	
<b>Net cash generated from/(used in) financing activities</b>			751,015
<b>Net increase in cash and cash equivalents</b>			822,887
Cash and cash equivalents at beginning of period			-
<b>Cash and cash equivalents at end of period</b>			822,887

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED 31 OCTOBER 2022**

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### **1 Accounting policies**

#### **Company information**

John Fredericks Plastics Group Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Lindley Moor Road, Huddersfield, HD3 3RW.

The group consists of John Fredericks Plastics Group Limited and all of its subsidiaries.

#### **1.1 Reporting period**

The reporting period end was extended to 31 October 2022 from the company's incorporation date of 14 May 2021. The period end was extended in order to align the Company's year end with its trading subsidiary. This is the first set of financial statements prepared by the Company and the Group, therefore there are no comparative figures

#### **1.2 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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'
- Section 26 'Share based Payment' Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' Compensation for key management personnel.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

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### 1 Accounting policies

(Continued)

#### 1.3 Business combinations

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.

#### 1.4 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company John Fredericks Plastics Group Limited together with all entities controlled by the parent company (its subsidiaries). The consolidated accounts can be obtained from Lindley Moor Rd, Elland, Huddersfield, HD3 3RW.

All financial statements are made up to 31 October 2022. 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.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

#### 1.5 Going concern

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

#### 1.6 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. Turnover is recognised when goods have been delivered.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 1 Accounting policies

(Continued)

#### 1.7 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 negative asset at cost and is subsequently measured at cost less accumulated amortisation. Negative goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.8 Intangible fixed assets other than goodwill

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

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

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

Software	25% per annum
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#### 1.9 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	25% per annum
Plant and equipment	15% per annum
Computers	25% per annum
Motor vehicles	20-25% per annum

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.

#### 1.10 Fixed asset investments

In the parent company financial statements, investments in subsidiaries 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.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 1 Accounting policies

(Continued)

#### 1.11 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.

#### 1.12 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 cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.13 Cash and cash equivalents

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

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 1 Accounting policies

(Continued)

#### 1.14 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.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

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.

#### **Debt factoring**

The Group has an invoice discounting agreement. The amount owed by customers to the Group is included within trade debtors and the amount owed to the invoice discounting company is included within creditors. The amount owed to the invoice discounting company represents the difference between the amounts advanced by the discounting company and the invoices discounted. The interest element of the invoice discounting charges and other related costs are recognised as they accrue and included in the Statement of Comprehensive Income within interest payable and similar expenses.

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

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

### 1.15 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.

### 1.16 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.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 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.

#### **1.17 Provisions**

Provision is made for liabilities arising in respect of extended warranty claims on warranties provided in conjunction with the sale of goods. Provisions are recognised when the group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably. The provision is based on expected costs to be incurred over the next 10 years based on previous warranty claims.

#### **1.18 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.

#### **1.19 Retirement benefits**

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

#### **1.20 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.



# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is 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.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- The cost element of stock carried forward in the statement of financial position at the period end is estimated by the directors based on raw material cost plus an appropriate proportion of labour and overheads. This therefore represents a critical accounting estimate arrived at by the directors based on their experience.
- Using the information available at the reporting date, the Directors make judgements based on their experience on the level of impairment required for stock and trade debtors and the provision for future warranty costs. Further information received after the statement of financial position date may impact on the level of provision.

In categorising leases as hire purchases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the company as lessee.

### 3 Turnover

The whole of the turnover is attributable to the principal business activity.

All turnover arose within the United Kingdom.

### 4 Operating profit

2022  
£

Operating profit for the period is stated after charging/(crediting):

Depreciation of owned tangible fixed assets	181,464
Amortisation of intangible assets	(32,955)
Operating lease charges	304,474

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 5 Auditor's remuneration

	2022 £
Fees payable to the company's auditor and associates:	
<b>For audit services</b>	
Audit of the financial statements of the group and company	3,000
Audit of the financial statements of the company's subsidiaries	15,200
	<u>18,200</u>

### 6 Employees

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

	Group 2022 Number	Company 2022 Number
Production	120	-
Administration, marketing and distribution	49	2
Total	<u>169</u>	<u>2</u>

Their aggregate remuneration comprised:

	Group 2022 £	Company 2022 £
Wages and salaries	3,445,691	-
Social security costs	336,479	-
Pension costs	71,060	-
	<u>3,853,230</u>	<u>-</u>

### 7 Director's remuneration

	2022 £
Remuneration for qualifying services	<u>47,436</u>

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 8 Interest payable and similar expenses

	2022 £
Interest on invoice finance arrangements	3,588
Interest on finance leases and hire purchase contracts	48,587
Other interest	15,865
	<hr/>
Total finance costs	68,040
	<hr/> <hr/>

### 9 Taxation

	2022 £
<b>Current tax</b>	
UK corporation tax on profits for the current period	99,283
	<hr/>
<b>Deferred tax</b>	
Origination and reversal of timing differences	225,432
	<hr/>
Total tax charge	324,715
	<hr/> <hr/>

The actual charge for the period can be reconciled to the expected charge/(credit) for the period based on the profit or loss and the standard rate of tax as follows:

	2022 £
Profit before taxation	1,642,629
	<hr/>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00%	312,100
Tax effect of expenses that are not deductible in determining taxable profit	5,259
Group relief	(3,014)
Amortisation on assets not qualifying for tax allowances	(8,749)
Research and development tax credit	(11,482)
Fixed asset timing differences	2,961
Other timing differences	(2,348)
Other differences	29,988
	<hr/>
Taxation charge	324,715
	<hr/> <hr/>

### 10 Dividends

	2022 £
Recognised as distributions to equity holders:	
Final paid	170,000
	<hr/> <hr/>

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 11 Intangible fixed assets

Group	Negative goodwill £	Software £	Total £
<b>Cost</b>			
At 14 May 2021	-	-	-
Additions - separately acquired	-	16,270	16,270
Additions - business combinations	(177,536)	-	(177,536)
At 31 October 2022	(177,536)	16,270	(161,266)
<b>Amortisation and impairment</b>			
At 14 May 2021	-	-	-
Amortisation charged for the period	(46,046)	13,091	(32,955)
At 31 October 2022	(46,046)	13,091	(32,955)
<b>Carrying amount</b>			
At 31 October 2022	(131,490)	3,179	(128,311)

The company had no intangible fixed assets at 31 October 2022.

### 12 Tangible fixed assets

Group	Leasehold improvements £	Plant and equipment £	Computers £	Motor vehicles £	Total £
<b>Cost</b>					
At 14 May 2021	-	-	-	-	-
Additions	-	781,327	10,323	165,653	957,303
Business combinations	4,083	4,021	466,307	237,835	712,246
At 31 October 2022	4,083	785,348	476,630	403,488	1,669,549
<b>Depreciation and impairment</b>					
At 14 May 2021	-	-	-	-	-
Depreciation charged in the period	4,083	112,140	2,605	62,636	181,464
At 31 October 2022	4,083	112,140	2,605	62,636	181,464
<b>Carrying amount</b>					
At 31 October 2022	-	673,208	474,025	340,852	1,488,085

The company had no tangible fixed assets at 31 October 2022.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 12 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2022 £	Company 2022 £
Plant and equipment	683,914	-
Motor vehicles	328,101	-
	<u>1,012,015</u>	<u>-</u>

### 13 Fixed asset investments

	Notes	Group 2022 £	Company 2022 £
Investments in subsidiaries	14	-	1,009,170

#### Movements in fixed asset investments Company

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 14 May 2021	-
Additions	1,009,170
At 31 October 2022	<u>1,009,170</u>
<b>Carrying amount</b>	
At 31 October 2022	<u>1,009,170</u>

### 14 Subsidiaries

Details of the company's subsidiaries at 31 October 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
John Fredericks Plastics Limited	Lindley Moor Road, Huddersfield, HD3 3RW	Ordinary	100.00

The above subsidiary is a direct subsidiary of the company and forms a part of the John Fredericks Plastics Group Ltd consolidation group. The subsidiary is included within the consolidated John Fredericks Plastics Group Ltd financial statements.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 15 Stocks

	Group 2022 £	Company 2022 £
Raw materials and consumables	797,297	-
Work in progress	96,167	-
Finished goods and goods for resale	217,995	-
	<u>1,111,459</u>	<u>-</u>

### 16 Debtors

	Group 2022 £	Company 2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,882,315	-
Prepayments and accrued income	353,034	-
	<u>2,235,349</u>	<u>-</u>

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

	Notes	Group 2022 £	Company 2022 £
Obligations under finance leases	19	236,088	-
Trade creditors		1,663,429	-
Amounts owed to group undertakings		-	122,535
Corporation tax payable		91,042	-
Other taxation and social security		400,658	-
Other creditors		609,000	609,000
Accruals and deferred income		317,295	-
		<u>3,317,512</u>	<u>731,535</u>

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

	Notes	Group 2022 £	Company 2022 £
Obligations under finance leases	19	679,927	-
		<u>679,927</u>	<u>-</u>

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 19 Finance lease obligations

	Group 2022	Company 2022
	£	£
Future minimum lease payments due under finance leases:		
Within one year	236,088	-
In two to five years	679,927	-
	<u>916,015</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

### 20 Provisions for liabilities

	Group 2022	Company 2022
	£	£
	40,871	-
	<u>40,871</u>	<u>-</u>

Movements on provisions:

Group	£
Additional provisions in the year	<u>40,871</u>

The warranty provision relates to the potential cost to the Company under a 10 year warranty on Company products. The provision is based on expected costs to be incurred over the next 10 years based on previous warranty claims.

### 21 Deferred taxation

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

	Liabilities 2022
Group	£
Accelerated capital allowances	340,801
Short term timing differences	(5,056)
	<u>335,745</u>

The company has no deferred tax assets or liabilities.

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 21 Deferred taxation (Continued)

	Group 2022 £	Company 2022 £
<b>Movements in the period:</b>		
Asset at 14 May 2021	-	-
Charge to profit or loss	225,432	-
Other	110,313	-
	<u>335,745</u>	<u>-</u>
Liability at 31 October 2022	<u>335,745</u>	<u>-</u>

No significant reversal of deferred tax liabilities is expected within the next 12 months.

Other deferred tax movements are in relation to liabilities recognised on acquisition of John Fredericks Plastics Ltd in the accounting period.

### 22 Retirement benefit schemes

	2022 £
<b>Defined contribution schemes</b>	
Charge to profit or loss in respect of defined contribution schemes	71,060
	<u>71,060</u>

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.

### 23 Share capital

Group and company	2022	2022
Ordinary share capital	Number	£
<b>Issued and fully paid</b>		
Class A Ordinary shares of £1 each	3,825	3,825
Class B Ordinary shares of £1 each	2,925	2,925
Class C Ordinary shares of £1 each	750	750
	<u>7,500</u>	<u>7,500</u>

Ordinary A, B and C shares are each entitled to one vote in any circumstances. Each share is equally entitled to a distribution of dividends. Each share is equally entitled to a distribution of capital.



# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 24 Acquisition of a business

On 20 January 2022 the group acquired 100 percent of the issued capital of John Fredericks Plastics Limited.

Net assets acquired	Book Value £	Adjustments £	Fair Value £
Property, plant and equipment	668,945	(39,603)	629,342
Inventories	958,281	-	958,281
Trade and other receivables	1,862,608	-	1,862,608
Cash and cash equivalents	658,961	-	658,961
Trade and other payables	(2,418,991)	-	(2,418,991)
Tax liabilities	(393,182)	-	(393,182)
Deferred tax	(110,313)	-	(110,313)
Total identifiable net assets	1,226,309	(39,603)	1,186,706
Goodwill			(177,536)
Total consideration			1,009,170
The consideration was satisfied by:			£
Cash			106,670
Issue of shares			2,500
Deferred consideration			900,000
			1,009,170
Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:			£
Turnover			14,773,042
Profit after tax			1,287,695

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 25 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 2022 £	Company 2022 £
Within one year	235,051	-
Between two and five years	913,505	-
	<u>1,148,556</u>	<u>-</u>

### 26 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2022 £	Company 2022 £
Acquisition of tangible fixed assets	<u>581,216</u>	<u>-</u>

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2022

### 27 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £
Aggregate compensation	253,418

#### Other information

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

During the period the group paid a dividend to the directors, who are also the shareholders of the company of £170,000.

During the year, the group advanced £100,000 to Directors. During the year, Directors repaid £145,000 to the group. At the period end the group owed the Directors of John Fredericks Plastics Group Limited, who are also the shareholders, £45,000.

#### Entities in which Directors have common significant influence

During the year the group made purchases of £28,606, and sales of £31,127 with an entity under common significant influence.

In the year ended 31 October 2022, the group paid £15,568 in respect of the lease of assets owned by SDSDAB Limited.

### 28 Controlling party

The directors consider the ultimate controlling party to be M Dicconson, a director and the majority shareholder in John Fredericks Plastics Group Limited.

### 29 Cash generated from/(absorbed by) group operations

	2022 £
Profit for the period after tax	1,317,914
<b>Adjustments for:</b>	
Taxation charged	324,715
Finance costs	68,040
Amortisation and impairment of intangible assets	(32,955)
Depreciation and impairment of tangible fixed assets	181,464
Decrease in provisions	(859,129)
<b>Movements in working capital:</b>	
Increase in stocks	(153,178)
Increase in debtors	(372,741)
Increase in creditors	571,391
<b>Cash generated from/(absorbed by) operations</b>	<b>1,045,521</b>

# JOHN FREDERICKS PLASTICS GROUP LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

*FOR THE PERIOD ENDED 31 OCTOBER 2022*

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30 Analysis of changes in net debt - group

	14 May 2021	Cash flows	31 October 2022
	£	£	£
Cash at bank and in hand	-	822,887	822,887
Obligations under finance leases	-	(916,015)	(916,015)
	<u>-</u>	<u>(93,128)</u>	<u>(93,128)</u>
	<u>-</u>	<u>(93,128)</u>	<u>(93,128)</u>

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