

Company Registration No. 02909297 (England and Wales)

VIL HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

VIL HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr A W Wallen Mrs W E Wallen Mr R W Wallen Mrs S W Richardson Mr P W Richardson Mr J W Wallen Mrs S L Wallen Mrs E Wallen
Secretary	Mr P W Richardson
Company number	02909297
Registered office	Union Road Bolton
Auditor	Barlow Andrews LLP Carlyle House 78 Chorley New Road Bolton
Bankers	HSBC Bank Plc 1-3 Victoria Square Bolton
Solicitors	Fieldings Porter Silverwell House Silverwell Street Bolton

VIL HOLDINGS LIMITED

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VIL HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

The directors present the strategic report for the year ended 30 September 2020.

Fair review of the business

The key performance indicators are turnover £21,234,531 in 2020 (2019: £22,231,205) and gross profit margin of 29.86% (2019: 28.86%).

During a difficult year for a lot of non-economic reasons, from the global pandemic, the parent company has continued to invest. Liquid Science has now established itself at its new production facility, whereby the environment can now suit the process to maximise efficiencies. It has also allowed the company to invest in the technologies, which can improve the quality of products being supplied to its customers. The outside influencing factors have also created a new demand from customers to diversify into further new product ranges.

Within the other subsidiary, VIL Resins Limited, the parent company has invested heavily into expanding production capacity to meet the company's growing demand. Even during the pandemic, the company has found both new and current customers, asking for more specialised requirements to enhance the quality of products, and demands of higher outputs in key product lines. VIL Resins has been able to adapt to the additional demands whilst also maintaining their core value of quality and service.

For the holding company, the stand alone investments have recovered well during the year, from the downturn seen at the beginning of the pandemic. Through good guidance this area of the business has had a positive end to the financial year, which puts itself on a solid foundation for the longer term.

Principal risks and uncertainties

Health & Safety - Within the activities of the group, the directors continually recognise the high level of importance when it comes to Health and safety compliance in all its subsidiaries. Thus, each process of the businesses will continue to carry out regular risk assessments to ensure a safe working environment and provide internal controls for each process.

The group further supports its environmental responsibilities, within each subsidiary, and supports the key regulations that ensure our surrounding environments are maintained in their natural states.

Competition - The group operates in very competitive markets and the continued growth of each subsidiary is dependent on maintaining customer relationships and developing new products specific to each customers' specific need. The group hopes to achieve these objectives by providing a first-class service and through competitive pricing policies.

Financial Instruments and Currency Risks - The group's principal financial instruments comprise of bank balances, trade creditors and currency exchanges. It is these instruments that allows the company to move forward with its operations.

The group trades with some of its customers and suppliers in foreign currencies, which results in risks of currency fluctuations. The group manages the risk by using the facility of a Euro bank account and ensuring that the net effect of creditors and debtors is closely monitored.

Credit risk from trade debtors is managed by operating strict credit control procedures, including detailed credit reference checks on new customers, regular reviews of credit limits and monitoring payments received.

Within the holding company the group is exposed to investment risk as it manages its' portfolios against the fluctuations of investment markets. This risk is managed by involving directors with the direct decision making of the portfolio managers who provide their professional advice and guidance.

On behalf of the board

Mr A W Wallen

Director

21 December 2020

VIL HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

The directors present their annual report and financial statements for the year ended 30 September 2020.

Principal activities

The principal activities of the company are the provision of management services to its trading subsidiaries and the management of the company's other assets by monitoring performance and making appropriate investment decisions. The principal activity of the subsidiaries is the manufacture and sale of surface coating resins and the manufacture and distribution of chemicals and ancillary products.

Directors

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

Mr A W Wallen
Mrs W E Wallen
Mr R W Wallen
Mrs S W Richardson
Mr P W Richardson
Mr J W Wallen
Mrs S L Wallen
Mrs E Wallen

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £900,000. The directors do not recommend payment of a further dividend.

Future developments

The strategy of the group remains the same. To invest in the manufacturing facilities to ensure that the companies can continue to meet the growing demands of their current and new customers.

Both subsidiaries will continue to improve their product offerings to their customers, as well as maintaining their high standards of service. Product development will be key in maintaining the customers relationships, as each company tailors to individual needs and demands.

Within the holding company, the directors will continue on their diversification project, as they look at new and differing asset classes to invest into. By diversifying into new areas it will provide further long term stability.

Auditor

In accordance with the company's articles, a resolution proposing that Barlow Andrews LLP be reappointed as auditor of the group will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr A W Wallen
Director
21 December 2020

VIL HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

VIL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIL HOLDINGS LIMITED

Opinion

We have audited the financial statements of VIL Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2020 which comprise the Group Profit and Loss Account, 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 a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 September 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

VIL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VIL HOLDINGS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

VIL HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF VIL HOLDINGS LIMITED

Use of our report

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

Philip Riding (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP

21 December 2020

Chartered Accountants
Statutory Auditor

Carlisle House
78 Chorley New Road
Bolton

VIL HOLDINGS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	21,234,531	22,231,205
Cost of sales		(14,894,029)	(15,815,094)
Gross profit		6,340,502	6,416,111
Distribution costs		(967,018)	(944,375)
Administrative expenses		(2,756,409)	(2,412,059)
Other operating income		80,773	8,692
Operating profit	4	2,697,848	3,068,369
Interest receivable and similar income	8	1,492,147	339,977
Interest payable and similar expenses	9	(49,143)	(61,209)
Profit before taxation		4,140,852	3,347,137
Taxation	10	(1,029,124)	(614,764)
Profit for the financial year		3,111,728	2,732,373

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

There is no other comprehensive income for the year. The total comprehensive income is the profit for the financial year shown above.

VIL HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 30 SEPTEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Goodwill	12		1,630,620		1,912,914
Tangible assets	13		9,458,867		6,095,234
			<u>11,089,487</u>		<u>8,008,148</u>
Current assets					
Stocks	17	2,465,022		2,931,184	
Debtors	18	6,259,368		6,122,801	
Investments	19	15,731,314		14,377,678	
Cash at bank and in hand		2,598,968		4,055,340	
		<u>27,054,672</u>		<u>27,487,003</u>	
Creditors: amounts falling due within one year	20	(4,945,224)		(5,289,334)	
Net current assets			<u>22,109,448</u>		<u>22,197,669</u>
Total assets less current liabilities			<u>33,198,935</u>		<u>30,205,817</u>
Provisions for liabilities	21		(872,514)		(94,039)
Deferred grants			<u>(9,020)</u>		<u>(6,105)</u>
Net assets			<u><u>32,317,401</u></u>		<u><u>30,105,673</u></u>
Capital and reserves					
Called up share capital	23		500		500
Capital redemption reserve	24		500		500
Other reserves	25		3,499,500		3,499,500
Profit and loss reserves			<u>28,816,901</u>		<u>26,605,173</u>
Total equity			<u><u>32,317,401</u></u>		<u><u>30,105,673</u></u>

The financial statements were approved by the board of directors and authorised for issue on 21 December 2020 and are signed on its behalf by:

Mr A W Wallen
Director

Mr P W Richardson
Director

VIL HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 30 SEPTEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		3,033,333		2,915,270
Investments	14		3,375,267		3,375,267
			<u>6,408,600</u>		<u>6,290,537</u>
Current assets					
Debtors	18	4,016,349		4,500,434	
Investments	19	15,731,314		14,227,374	
Cash at bank and in hand		1,116,136		1,421,727	
		<u>20,863,799</u>		<u>20,149,535</u>	
Creditors: amounts falling due within one year	20	(1,121,754)		(1,530,903)	
Net current assets			<u>19,742,045</u>		<u>18,618,632</u>
Total assets less current liabilities			<u>26,150,645</u>		<u>24,909,169</u>
Provisions for liabilities	21	(542,608)			-
Net assets			<u>25,608,037</u>		<u>24,909,169</u>
Capital and reserves					
Called up share capital	23		500		500
Profit and loss reserves			<u>25,607,537</u>		<u>24,908,669</u>
Total equity			<u>25,608,037</u>		<u>24,909,169</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,598,868 (2019 - £2,446,498 profit).

The financial statements were approved by the board of directors and authorised for issue on 21 December 2020 and are signed on its behalf by:

Mr A W Wallen
Director

Mr P W Richardson
Director

Company Registration No. 02909297

VIL HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 October 2018		500	500	3,499,500	24,322,800	27,823,300
Year ended 30 September 2019:						
Profit and total comprehensive income for the year		-	-	-	2,732,373	2,732,373
Dividends	11	-	-	-	(450,000)	(450,000)
Balance at 30 September 2019		500	500	3,499,500	26,605,173	30,105,673
Year ended 30 September 2020:						
Profit and total comprehensive income for the year		-	-	-	3,111,728	3,111,728
Dividends	11	-	-	-	(900,000)	(900,000)
Balance at 30 September 2020		500	500	3,499,500	28,816,901	32,317,401

VIL HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2020

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 October 2018		500	22,912,171	22,912,671
Year ended 30 September 2019:				
Profit and total comprehensive income for the year		-	2,446,498	2,446,498
Dividends	11	-	(450,000)	(450,000)
Balance at 30 September 2019		500	24,908,669	24,909,169
Year ended 30 September 2020:				
Profit and total comprehensive income for the year		-	1,598,868	1,598,868
Dividends	11	-	(900,000)	(900,000)
Balance at 30 September 2020		500	25,607,537	25,608,037

VIL HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	29	3,560,980		2,484,327	
Interest paid		(49,143)		(61,209)	
Income taxes paid		(767,159)		(2,906)	
Net cash inflow from operating activities		<u>2,744,678</u>		<u>2,420,212</u>	
Investing activities					
Proceeds on disposal of intangibles		-		50,000	
Purchase of tangible fixed assets		(3,662,318)		(3,273,168)	
Proceeds on disposal of tangible fixed assets		5,612		54,693	
Increase/(decrease) arising from cash investments		150,304		(150,304)	
Interest received		15,163		100,224	
Dividends received		<u>190,189</u>		<u>239,753</u>	
Net cash used in investing activities		(3,301,050)		(2,978,802)	
Financing activities					
Dividends paid to equity shareholders		<u>(900,000)</u>		<u>(450,000)</u>	
Net cash used in financing activities		(900,000)		(450,000)	
Net decrease in cash and cash equivalents		<u>(1,456,372)</u>		<u>(1,008,590)</u>	
Cash and cash equivalents at beginning of year		<u>4,055,340</u>		<u>5,063,930</u>	
Cash and cash equivalents at end of year		<u><u>2,598,968</u></u>		<u><u>4,055,340</u></u>	

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

Company information

VIL Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Union Road, Bolton.

The group consists of VIL Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

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 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- 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' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;

1.2 Basis of consolidation

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

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

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

All financial statements are made up to 30 September 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

1.3 Going concern

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

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is between 10% and 15% on cost.

1.6 Tangible fixed assets

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

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

Land and buildings Freehold	2% straight line
Land and buildings Leasehold	Over the term of the lease
Plant and machinery	6 2/3% straight line
Fixtures, fittings & equipment	10% straight line
Computer equipment	33% on cost
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

1.7 Fixed asset investments

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

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

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

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.9 Stocks

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

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

1.10 Cash 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.

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

1.11 Financial instruments

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

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

Other financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities, including creditors and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Derecognition of financial liabilities

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

1.12 Equity instruments

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

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

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.

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.

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

1.14 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.

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

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

1.15 Retirement benefits

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

1.16 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.18 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.

1.19 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

2 Judgements and key sources of estimation uncertainty

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

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

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

3 Turnover and other revenue

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

	2020 £	2019 £
Turnover		
Sale of goods	21,234,531	22,231,205
Other significant revenue		
Interest income	15,164	100,224
Dividends received	190,189	239,753
Grants received	76,023	3,942

In the opinion of the directors, it would be seriously prejudicial to disclose turnover by geographical location. The directors have therefore taken advantage of the exemption to omit this disclosure.

4 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	17,537	(2,218)
Research and development costs	394,968	358,816
Government grants	(76,023)	(3,942)
Depreciation of owned tangible fixed assets	266,008	317,559
Loss/(profit) on disposal of tangible fixed assets	27,065	(21,968)
Amortisation of intangible assets	282,294	282,482
Profit on disposal of intangible assets	-	(41,751)
Cost of stocks recognised as an expense	11,307,460	12,655,676
Operating lease charges	77,137	102,082

5 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	4,895	5,600
Audit of the financial statements of the company's subsidiaries	14,450	13,850
	19,345	19,450

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

6 Employees

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

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Production staff	35	35	-	-
Sales and distribution staff	22	25	-	-
Administration and technical staff	20	19	8	8
Total	77	79	8	8

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	2,547,980	2,444,680	166,692	145,878
Social security costs	152,883	148,146	15,983	14,263
Pension costs	267,098	165,609	194,777	134,878
Total	2,967,961	2,758,435	377,452	295,019

7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	371,899	344,878
Company pension contributions to defined contribution schemes	237,577	140,015
Total	609,476	484,893

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 6 (2019 - 6).

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

	2020 £	2019 £
Remuneration for qualifying services	73,578	67,868
Company pension contributions to defined contribution schemes	39,103	39,306

The directors are also considered to be the key management personnel.

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

8 Interest receivable and similar income

	2020	2019
	£	£
Interest income		
Interest on bank deposits	15,114	18,226
Other interest income	50	3,828
	<u>15,164</u>	<u>22,054</u>
Total interest revenue	15,164	22,054
Other income from investments		
Dividends received	190,189	239,753
Gains on financial instruments measured at fair value through profit or loss	1,286,794	78,170
	<u>1,492,147</u>	<u>339,977</u>
Total income	1,492,147	339,977

Investment income includes the following:

Dividends from financial assets measured at fair value through profit or loss	190,189	239,753
	<u>190,189</u>	<u>239,753</u>

9 Interest payable and similar expenses

	2020	2019
	£	£
Other interest on financial liabilities	49,143	61,209
	<u>49,143</u>	<u>61,209</u>

10 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	250,649	593,987
Adjustments in respect of prior periods	-	1,145
	<u>250,649</u>	<u>595,132</u>
Total current tax	250,649	595,132
Deferred tax		
Origination and reversal of timing differences	778,475	19,632
	<u>778,475</u>	<u>19,632</u>
Total tax charge	1,029,124	614,764

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

10 Taxation

(Continued)

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

	2020 £	2019 £
Profit before taxation	4,140,852	3,347,137
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	786,762	635,956
Tax effect of expenses that are not deductible in determining taxable profit	4,539	1,590
Tax effect of income not taxable in determining taxable profit	(36,136)	(44,317)
Amortisation on assets not qualifying for tax allowances	52,033	52,033
Research and development tax credit	(97,557)	(88,627)
Realised gains taxable	10,433	70,838
Unrealised gains not taxable	298,117	(14,852)
Capital allowances in excess of depreciation	10,933	2,143
Taxation charge	1,029,124	614,764

11 Dividends

	2020 £	2019 £
Interim paid	900,000	450,000

12 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 October 2019 and 30 September 2020	2,794,829
Amortisation and impairment	
At 1 October 2019	881,915
Amortisation charged for the year	282,294
At 30 September 2020	1,164,209
Carrying amount	
At 30 September 2020	1,630,620
At 30 September 2019	1,912,914

The company had no intangible fixed assets at 30 September 2020 or 30 September 2019.

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

13 Tangible fixed assets								
Group		Land and buildings Freehold	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
Cost		£	£	£	£	£	£	£
At 1 October 2019		5,473,920	104,911	4,433,321	395,723	49,870	284,978	10,742,723
Additions		242,138	89,915	3,205,330	108,460	16,475	-	3,662,318
Disposals		-	(95,740)	(73,048)	(63,235)	-	-	(232,023)
At 30 September 2020		5,716,058	99,086	7,565,603	440,948	66,345	284,978	14,173,018
Depreciation and impairment								
At 1 October 2019		244,846	68,451	3,780,062	361,229	30,765	162,136	4,647,489
Depreciation changed in the year		37,036	24,206	106,366	11,795	14,464	72,141	266,008
Eliminated in respect of disposals		-	(85,024)	(60,288)	(54,034)	-	-	(199,346)
At 30 September 2020		281,882	7,633	3,826,140	318,990	45,229	234,277	4,714,151
Carrying amount								
At 30 September 2020		5,434,176	91,453	3,739,463	121,958	21,116	50,701	9,458,867
At 30 September 2019		5,229,074	36,460	653,259	34,494	19,105	122,842	6,095,234

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Company	Land and buildings Freehold £
Cost	
At 1 October 2019	2,915,270
Additions	118,063
At 30 September 2020	3,033,333
Depreciation and impairment	
At 1 October 2019 and 30 September 2020	-
Carrying amount	
At 30 September 2020	3,033,333
At 30 September 2019	2,915,270

14 Fixed asset investments

		Group 2020 £	2019 £	Company 2020 £	2019 £
Notes					
Investments in subsidiaries	15	-	-	3,375,267	3,375,267

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 1 October 2019 and 30 September 2020	3,375,267
Carrying amount	
At 30 September 2020	3,375,267
At 30 September 2019	3,375,267

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

15 Subsidiaries

Details of the company's subsidiaries at 30 September 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Clean Innovations Limited	Unit 6, Bentley Wood Way Network 65 Business Park, Hapton, Burnley	Dormant	Ordinary	100
Melpass Limited (formerly Liquid Science Solutions Limited)	Unit 6, Bentley Wood Way Network 65 Business Park, Hapton, Burnley	Dormant	Ordinary	100
Liquid Science Solutions Limited (formerly Melpass Limited)	Unit 6, Bentley Wood Way Network 65 Business Park, Hapton, Burnley	Manufacture and distribution of chemicals and ancillary products	Ordinary	100
Thaumaturgy (UK) Limited	Unit 6, Bentley Wood Way Network 65 Business Park, Hapton, Burnley	Dormant	Ordinary	100
Vil Resins Limited	Union Road, Bolton	Manufacture of surface coating resins	Ordinary	100

16 Financial instruments

	Group 2020 £	2019 £	Company 2020 £	2019 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	8,531,930	9,236,788	n/a	n/a
Equity instruments measured at FVTPL	15,731,314	14,377,678	n/a	n/a
Carrying amount of financial liabilities				
Measured at amortised cost	4,945,224	5,289,334	n/a	n/a

As permitted by the reduced disclosure framework within FRS 102, the company has taken advantage of the exemption from disclosing the carrying amount of certain classes of financial instruments, denoted by 'n/a' above.

17 Stocks

	Group 2020 £	2019 £	Company 2020 £	2019 £
Raw materials and consumables	1,607,872	1,705,120	-	-
Finished goods and goods for resale	857,150	1,226,064	-	-
	2,465,022	2,931,184	-	-

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

18 Debtors

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	5,831,571	5,180,013	-	-
Corporation tax recoverable	98,523	-	-	-
Amounts owed by group undertakings	-	-	4,000,434	4,500,434
Other debtors	2,868	1,435	258	-
Prepayments and accrued income	326,406	941,353	15,657	-
	<u>6,259,368</u>	<u>6,122,801</u>	<u>4,016,349</u>	<u>4,500,434</u>

19 Current asset investments

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Listed investments	15,731,314	14,227,374	15,731,314	14,227,374
Unlisted investments	-	150,304	-	-
	<u>15,731,314</u>	<u>14,377,678</u>	<u>15,731,314</u>	<u>14,227,374</u>
Listed investments included above:				
Listed investments carrying amount	<u>15,731,314</u>	<u>14,227,374</u>	<u>15,731,314</u>	<u>14,227,374</u>

20 Creditors: amounts falling due within one year

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Trade creditors	2,738,760	2,323,915	-	-
Corporation tax payable	-	417,987	14,472	180,424
Other taxation and social security	409,441	336,507	69,781	78,224
Other creditors	1,034,985	1,250,096	1,027,410	1,250,096
Accruals and deferred income	762,038	960,829	10,091	22,159
	<u>4,945,224</u>	<u>5,289,334</u>	<u>1,121,754</u>	<u>1,530,903</u>

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

21 Deferred taxation

Deferred tax assets and liabilities are offset where the group or 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:

	Liabilities 2020 £	Liabilities 2019 £
Group		
Accelerated capital allowances	329,906	94,039
Unrealised gains on investments	542,608	-
	<u>872,514</u>	<u>94,039</u>
	<u><u>872,514</u></u>	<u><u>94,039</u></u>
	Liabilities 2020 £	Liabilities 2019 £
Company		
Unrealised gains on investments	542,608	-
	<u>542,608</u>	<u>-</u>
	<u><u>542,608</u></u>	<u><u>-</u></u>
	Group 2020 £	Company 2020 £
Movements in the year:		
Liability at 1 October 2019	94,039	-
Charge to profit or loss	778,475	542,608
	<u>872,514</u>	<u>542,608</u>
Liability at 30 September 2020	<u><u>872,514</u></u>	<u><u>542,608</u></u>

22 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	267,098	165,609
	<u>267,098</u>	<u>165,609</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 2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
500 Ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

23 Share capital

(Continued)

The holders of ordinary shares are entitled to full voting rights and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

24 Capital redemption reserve

The capital redemption reserve records the nominal value of shares repurchased by the group.

25 Other reserves

Other reserves relates to funds set aside in respect of future projects.

26 Operating lease commitments

Lessee

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

	Group 2020 £	2019 £	Company 2020 £	2019 £
Within one year	17,604	86,600	-	-
Between two and five years	10,269	-	-	-
	<u>27,873</u>	<u>86,600</u>	<u>-</u>	<u>-</u>

27 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Acquisition of tangible fixed assets	<u>18,000</u>	<u>2,022,980</u>	<u>-</u>	<u>-</u>

28 Directors' transactions

At the year end there was a balance of £1,027,410 due to the Directors (2019: £1,250,096). Interest has been paid in the year at 5% being £49,143 (2019: £61,209).

Dividends totalling £900,000 (2019 - £450,000) were paid in the year in respect of shares in which the directors had an interest.

VIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

29 Cash generated from group operations

	2020 £	2019 £
Profit for the year after tax	3,111,728	2,732,373
Adjustments for:		
Taxation charged	1,029,124	614,764
Finance costs	49,143	61,209
Investment income	(1,492,147)	(339,977)
Loss/(gain) on disposal of tangible fixed assets	27,065	(21,968)
Gain on disposal of intangible assets	-	(41,751)
Gain on disposal of investments	(217,145)	(543,281)
Amortisation and impairment of intangible assets	282,294	282,482
Depreciation and impairment of tangible fixed assets	266,008	317,559
Increase/(decrease) in deferred income	2,915	(9,601)
Movements in working capital:		
Decrease/(increase) in stocks	466,162	(141,477)
Increase in debtors	(38,044)	(514,479)
Increase in creditors	73,877	88,474
Cash generated from operations	3,560,980	2,484,327

30 Analysis of changes in net funds - group

	1 October 2019 £	Cash flows £	30 September 2020 £
Cash at bank and in hand	4,055,340	(1,456,372)	2,598,968

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.