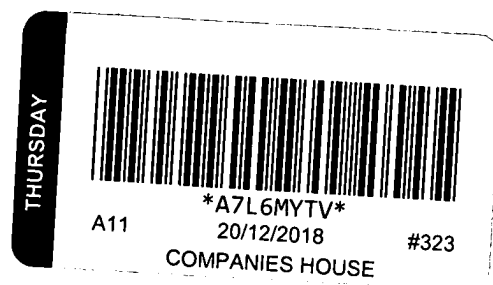


**Group Strategic Report,  
Report of the Directors and  
Consolidated Financial Statements  
for the Period 26 October 2017 to 31 March 2018  
for  
Aykroyd & Sons Holdings Limited**



# **Aykroyd & Sons Holdings Limited**

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**Aykroyd & Sons Holdings Limited**  
**Company Information**  
**for the Period 26 October 2017 to 31 March 2018**

**DIRECTORS:**

D B Aykroyd  
N J Aykroyd  
Ms F E Aykroyd-Davies  
Ms D L Aykroyd-Duckett  
Ms S H Galdo  
S S Aykroyd

**REGISTERED OFFICE:**

Unit 17  
Bala Enterprise Park  
Bala  
Gwynedd  
LL23 7NJ

**REGISTERED NUMBER:**

11033657 (England and Wales)

**SENIOR STATUTORY  
AUDITOR:**

Ian Sluckis BA FCA

**AUDITORS:**

Freedman Frankl & Taylor  
Statutory Auditors  
Chartered Accountants  
Reedham House  
31 King Street West  
Manchester  
M3 2PJ

**Aykroyd & Sons Holdings Limited**

**Group Strategic Report  
for the Period 26 October 2017 to 31 March 2018**

The directors present their strategic report of the company and the group for the period 26 October 2017 to 31 March 2018.

2017/18 proved to be quite a year for Aykroyds.

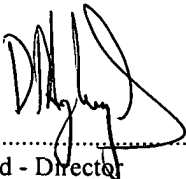
A lot of work went into a re-organisation, introducing the 5th generation to the board as Directors, financially securing the future of the business and keeping it in the family by way of preferential share deals over the forthcoming years.

As the statement of income only reflects the period of trading from 21 February 2018 to 31 March 2018 the date the company acquired the shares in its subsidiaries, no analysis or KPI's in relation to the figures are considered appropriate.

Prospects for 2018/19 will be difficult due to a lack of 'must have' licenses and of course Brexit uncertainty, which could lead to foreign exchange fluctuations and a possible economic downturn, but the board are as confident as they can be that we are in the right place to face these challenges.

The results for the period and financial position of the group are as shown in the annexed financial statements.

**ON BEHALF OF THE BOARD:**



.....  
D B Aykroyd - Director

Date: 19/12/2018  
.....

## **Aykroyd & Sons Holdings Limited**

### **Report of the Directors for the Period 26 October 2017 to 31 March 2018**

The directors present their report with the financial statements of the company and the group for the period 26 October 2017 to 31 March 2018.

#### **INCORPORATION**

The group was incorporated on 26 October 2017.

#### **DIVIDENDS**

No dividends will be distributed for the period ended 31 March 2018.

#### **DIRECTORS**

The directors who have held office during the period from 26 October 2017 to the date of this report are as follows:

D B Aykroyd - appointed 26 October 2017  
N J Aykroyd - appointed 21 February 2018  
Ms F E Aykroyd-Davies - appointed 21 February 2018  
Ms D L Aykroyd-Duckett - appointed 21 February 2018  
Ms S H Galdo - appointed 21 February 2018  
S S Aykroyd - appointed 21 February 2018

All the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 company and the group 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

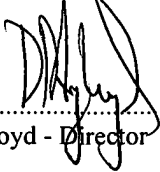
**Aykroyd & Sons Holdings Limited**

**Report of the Directors  
for the Period 26 October 2017 to 31 March 2018**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**ON BEHALF OF THE BOARD:**



.....  
D B Aykroyd - Director

Date: 19/12/2018  
.....

**Report of the Independent Auditors to the Members of  
Aykroyd & Sons Holdings Limited**

**Opinion**

We have audited the financial statements of Aykroyd & Sons Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 March 2018 which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 of the parent company affairs as at 31 March 2018 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 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 in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
Aykroyd & Sons Holdings Limited**

**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 Group Strategic Report or the Report of the Directors.

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 Statement of Directors' Responsibilities set out on page three, 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 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.

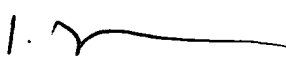
**Auditors' responsibilities for the audit of the financial statements**

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
Ian Sluckis BA FCA (Senior Statutory Auditor)  
for and on behalf of Freedman Frankl & Taylor  
Statutory Auditors  
Chartered Accountants  
Reedham House  
31 King Street West  
Manchester  
M3 2PJ

Date: 19/12/2018



**Aykroyd & Sons Holdings Limited**

**Consolidated Statement of Income and Retained Earnings  
for the Period 26 October 2017 to 31 March 2018**


	Notes	£	£
<b>TURNOVER</b>			
Group and share of joint ventures			5,914,749
Less:			
Share of joint ventures' turnover			<u>(300,400)</u>
<b>GROUP TURNOVER</b>	3		5,614,349
Cost of sales			<u>5,212,670</u>
<b>GROSS PROFIT</b>			401,679
Distribution costs		84,910	
Administrative expenses		<u>192,727</u>	
			<u>277,637</u>
			124,042
Other operating income			<u>(5,023)</u>
<b>OPERATING PROFIT</b>	5		119,019
Interest receivable and similar income			<u>884</u>
			119,903
Interest payable and similar expenses	6		<u>21,215</u>
<b>PROFIT BEFORE TAXATION</b>			98,688
Tax on profit	7		<u>30,659</u>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>			<u>68,029</u>
<b>RETAINED EARNINGS FOR THE GROUP AT END OF PERIOD</b>			<u><u>68,029</u></u>
Profit attributable to: Owners of the parent			<u><u>68,029</u></u>

The notes form part of these financial statements

**Consolidated Balance Sheet**  
**31 March 2018**

	Notes	£	£
<b>FIXED ASSETS</b>			
Intangible assets	9		774,587
Tangible assets	10		2,678,903
Investments	11		
Interest in joint venture			
Share of gross assets			808,812
Share of gross liabilities			(808,762)
Investment property	12		<u>585,490</u>
			4,039,030
<b>CURRENT ASSETS</b>			
Stocks	13	1,964,338	
Debtors	14	7,406,732	
Investments	15	320,213	
Cash at bank and in hand		<u>3,825,789</u>	
		13,517,072	
<b>CREDITORS</b>			
Amounts falling due within one year	16	<u>2,427,620</u>	
<b>NET CURRENT ASSETS</b>			<u>11,089,452</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			15,128,482
<b>CREDITORS</b>			
Amounts falling due after more than one year	17		(10,592,312)
<b>PROVISIONS FOR LIABILITIES</b>	21		<u>(18,141)</u>
<b>NET ASSETS</b>			<u><u>4,518,029</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22		4,450,000
Retained earnings	23		<u>68,029</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><u>4,518,029</u></u>

The financial statements were approved by the Board of Directors on 19/12/2018 and were signed on its behalf by:

  
.....  
D B Aykroyd Director

**Aykroyd & Sons Holdings Limited (Registered number: 11033657)**

**Company Balance Sheet  
31 March 2018**

	Notes	£	£
<b>FIXED ASSETS</b>			
Intangible assets	9		-
Tangible assets	10		-
Investments	11		17,800,000
Investment property	12		-
			<u>17,800,000</u>
<b>CREDITORS</b>			
Amounts falling due within one year	16	<u>21,134</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(21,134)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			17,778,866
<b>CREDITORS</b>			
Amounts falling due after more than one year	17		<u>10,150,000</u>
<b>NET ASSETS</b>			<u>7,628,866</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22		4,450,000
Retained earnings	23		<u>3,178,866</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>7,628,866</u>
Company's profit for the financial year			<u>3,178,866</u>

The financial statements were approved by the Board of Directors on 19/12/2018 and were signed on its behalf by:



.....  
D B Aykroyd - Director

The notes form part of these financial statements

**Aykroyd & Sons Holdings Limited**

**Consolidated Cash Flow Statement  
for the Period 26 October 2017 to 31 March 2018**

	Notes	£
<b>Cash flows from operating activities</b>		
Cash generated from operations	1	173,684
Finance costs paid		<u>(21,215)</u>
Net cash from operating activities		<u>152,469</u>
 <b>Cash flows from investing activities</b>		
Purchase of subsidiary undertaking		(17,800,000)
Interest received		<u>884</u>
Net cash from investing activities		<u>(17,799,116)</u>
 <b>Cash flows from financing activities</b>		
Ordinary share issue		4,450,000
Preference share issue		10,150,000
Cash acquired with subsidiary		<u>6,872,436</u>
Net cash from financing activities		<u>21,472,436</u>
 <b>Increase in cash and cash equivalents</b>		<u>3,825,789</u>
<b>Cash and cash equivalents at beginning of period</b>	2	-
 <b>Cash and cash equivalents at end of period</b>	2	<u><u>3,825,789</u></u>

The notes form part of these financial statements

**Aykroyd & Sons Holdings Limited**

**Notes to the Consolidated Cash Flow Statement  
for the Period 26 October 2017 to 31 March 2018**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	£
Profit before taxation	98,688
Depreciation charges	33,531
Finance costs	21,215
Finance income	<u>(884)</u>
	152,550
Increase in trade and other creditors	<u>21,134</u>
<b>Cash generated from operations</b>	<b><u>173,684</u></b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Period ended 31 March 2018**

	31.3.18	26.10.17
	£	£
Cash and cash equivalents	<u>3,825,789</u>	<u>-</u>

## **Aykroyd & Sons Holdings Limited**

### **Notes to the Consolidated Financial Statements for the Period 26 October 2017 to 31 March 2018**

#### **1. STATUTORY INFORMATION**

Aykroyd & Sons Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Basis of consolidation**

The group financial statements consolidate the financial statements of the company, its subsidiary undertakings and joint ventures. For details regarding the base period of accounts used see note 11.

The results of subsidiaries acquired or sold are consolidated from the periods from or to the date on which control passes. Acquisitions are accounted for under the acquisition method. The results of the joint ventures are consolidated from the date of the acquisition of the interest.

Goodwill arising on the acquisition of subsidiary undertakings which represents excess of cost over fair value of group share of tangible assets acquired is capitalised as an intangible asset and amortised by equal instalments against profits over its expected life of 10 years.

##### **Significant judgements and estimates**

In applying the group and company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

##### **Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

##### **Assessing indicators of impairment**

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

##### **Tangible fixed assets**

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Notes to the Consolidated Financial Statements - continued  
for the Period 26 October 2017 to 31 March 2018

2. ACCOUNTING POLICIES - continued

**Turnover**

Turnover is measured at fair value of the consideration received or receivable, excluding discounts, rebates and value added tax from the provision of goods and services which fall within the company's ordinary activity. The directors consider the business to comprise a single activity.

Bank interest is recognised in the period in which it was received.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on reducing balance
Short leasehold	- 20% on cost
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 33.33% on reducing balance

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity:

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

## Aykroyd & Sons Holdings Limited

### Notes to the Consolidated Financial Statements - continued for the Period 26 October 2017 to 31 March 2018

#### 2. ACCOUNTING POLICIES - continued

##### **Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

##### **Investments**

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at lower of cost and net realisable value.

##### **Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

##### **Financial instruments**

The company uses forward currency contracts to reduce exposure to foreign exchange rates.

The company considers it qualifies for hedge accounting when certain criteria are met :

##### **Forward foreign currency contracts**

The criteria for forward currency contracts are

- the instrument must be related to expected purchases in foreign currency,
- it must involve the same currency as the hedged item, and
- it must reduce the risk of foreign currency exchange movements in the company's operations

Foreign exchange forward contracts have been recognised at fair value at the end of the year with changes in fair value recognised in the hedging reserve.

#### 3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	£
United Kingdom	5,329,185
Europe	248,013
Non EC Members	<u>37,151</u>
	<u>5,614,349</u>

#### 4. EMPLOYEES AND DIRECTORS

	£
Wages and salaries	308,459
Social security costs	35,650
Other pension costs	<u>14,548</u>
	<u>358,657</u>



**Aykroyd & Sons Holdings Limited**

**Notes to the Consolidated Financial Statements - continued  
for the Period 26 October 2017 to 31 March 2018**

**4. EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the period was as follows:

Selling and distribution	110
Office and management	<u>10</u>
	<u>120</u>

	£
Directors' remuneration	87,279
Directors' pension contributions to money purchase schemes	<u>1,281</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>8</u>
------------------------	----------

**5. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	£
Depreciation - owned assets	25,383
Loss on disposal of fixed assets	2,070
Goodwill amortisation	8,149
Auditors' remuneration	1,843
Foreign exchange differences	(1,630)
Deferred grant	(959)
Operating lease - land and buildings	<u>2,499</u>

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	£
Other interest	81
Preference shares dividend	<u>21,134</u>
	<u>21,215</u>

**7. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the period was as follows:

	£
Current tax:	
UK corporation tax	32,131
Deferred tax	<u>(1,472)</u>
Tax on profit	<u>30,659</u>

**Aykroyd & Sons Holdings Limited**

**Notes to the Consolidated Financial Statements - continued  
for the Period 26 October 2017 to 31 March 2018**

**7. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Profit before tax	<u>98,688</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19%	18,751
Effects of:	
Expenses not deductible for tax purposes	13,380
Capital allowances in excess of depreciation	<u>(1,472)</u>
Total tax charge	<u>30,659</u>

**8. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**9. INTANGIBLE FIXED ASSETS**

<b>Group</b>	Goodwill
	£
<b>COST</b>	
Additions	<u>782,736</u>
At 31 March 2018	<u>782,736</u>
<b>AMORTISATION</b>	
Amortisation for period	<u>8,149</u>
At 31 March 2018	<u>8,149</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>774,587</u>

**Aykroyd & Sons Holdings Limited**

**Notes to the Consolidated Financial Statements - continued  
for the Period 26 October 2017 to 31 March 2018**

**10. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Freehold property £</b>	<b>Short leasehold £</b>	<b>Plant and machinery £</b>
<b>COST</b>			
Acquisitions	<u>2,461,854</u>	<u>36,330</u>	<u>659,918</u>
At 31 March 2018	<u>2,461,854</u>	<u>36,330</u>	<u>659,918</u>
<b>DEPRECIATION</b>			
Acquisitions	705,382	27,703	479,416
Charge for period	<u>3,724</u>	<u>756</u>	<u>4,093</u>
At 31 March 2018	<u>709,106</u>	<u>28,459</u>	<u>483,509</u>
<b>NET BOOK VALUE</b>			
At 31 March 2018	<u>1,752,748</u>	<u>7,871</u>	<u>176,409</u>
At 25 October 2017	<u>(705,382)</u>	<u>(27,703)</u>	<u>(479,416)</u>
	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>COST</b>			
Acquisitions	<u>383,732</u>	<u>964,452</u>	<u>4,506,286</u>
At 31 March 2018	<u>383,732</u>	<u>964,452</u>	<u>4,506,286</u>
<b>DEPRECIATION</b>			
Acquisitions	150,529	438,970	1,802,000
Charge for period	<u>2,634</u>	<u>14,176</u>	<u>25,383</u>
At 31 March 2018	<u>153,163</u>	<u>453,146</u>	<u>1,827,383</u>
<b>NET BOOK VALUE</b>			
At 31 March 2018	<u>230,569</u>	<u>511,306</u>	<u>2,678,903</u>
At 25 October 2017	<u>(150,529)</u>	<u>(438,970)</u>	<u>(1,802,000)</u>

Included in the freehold property is a factory built by, and purchased from, the Welsh Development Board for £552,725 under an incentive scheme whereby only 50% of the building costs were charged to the company.

**Aykroyd & Sons Holdings Limited**

**Notes to the Consolidated Financial Statements - continued  
for the Period 26 October 2017 to 31 March 2018**

**11. FIXED ASSET INVESTMENTS**

**Group**

	Interest in joint venture £
<b>COST</b>	
Acquisitions	<u>50</u>
At 31 March 2018	<u>50</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u><u>50</u></u>

**Interest in joint venture**

The group's aggregate share of joint ventures is as follows:

	£
Share of assets	
Fixed assets	-
Current assets	808,812
Share of liabilities	
Share of liabilities due within one year	(808,762)
Share of liabilities due after one year or more	-
Share of net assets	<u><u>50</u></u>

The company has a 50% interest in Aykroyds & TDP Licensing Limited, a joint venture in respect of copyright royalties.

**Company**

	Unlisted investments £
<b>COST</b>	
Additions	<u>17,800,000</u>
At 31 March 2018	<u>17,800,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u><u>17,800,000</u></u>

# Aykroyd & Sons Holdings Limited

## Notes to the Consolidated Financial Statements - continued for the Period 26 October 2017 to 31 March 2018

### 11. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

#### Subsidiaries

##### Aykroyd & Sons Limited

Registered office: England and Wales

Nature of business: Distributors of pyjamas and leisurewear

	%
Class of shares:	holding
Ordinary	100.00

On the 21 February 2018, the company acquired the ordinary shares of Aykroyd & Sons Limited for a consideration of £17,800,000. The investment in Aykroyds & Sons Limited has been included in the consolidated balance sheet at its fair value at the date of acquisition.

#### Analysis of Acquisition:

	£
Investments	50
Tangible fixed assets	2,704,286
Investment property	585,490
Stocks	1,964,338
Debtors	7,406,734
Current asset investments	320,213
Bank	6,872,436
Creditors	(2,816,670)
Deferred tax	(19,613)
Goodwill	782,736
	-----
Consideration	17,800,000
	=====

##### Aykroyds (Shanghai) Trading Ltd - Indirectly held and unaudited

Registered office: China

Nature of business: Merchandising

	%
Class of shares:	holding
Ordinary	100.00

31.12.17

Aggregate capital and reserves

£  
117,136

##### Millarose Limited - Indirectly Held

Registered office: England and Wales

Nature of business: Non Trading

	%
Class of shares:	holding
Ordinary	100.00

Aggregate capital and reserves

2018  
£  
2,752

**Aykroyd & Sons Holdings Limited**

**Notes to the Consolidated Financial Statements - continued  
for the Period 26 October 2017 to 31 March 2018**

**12. INVESTMENT PROPERTY**

<b>Group</b>	<b>Total £</b>
<b>FAIR VALUE</b>	
Acquisitions	<u>585,490</u>
At 31 March 2018	<u>585,490</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u><u>585,490</u></u>

The fair value of the investment properties at 31 March 2018 has been arrived at on the basis of a valuation carried out by the directors. The valuation which does not differ from the valuation at the end of the previous period, was arrived at by reference to transaction prices for similar properties in its location.

**13. STOCKS**

	<b>Group £</b>
Finished goods	<u>1,964,338</u>

**14. DEBTORS**

	<b>Group £</b>
Amounts falling due within one year:	
Trade debtors	6,596,249
Other debtors	218,967
VAT	96,080
Prepayments and accrued income	<u>313,605</u>
	<u><u>7,224,901</u></u>
Amounts falling due after more than one year:	
Other debtors	<u>181,831</u>
Aggregate amounts	<u><u>7,406,732</u></u>

**15. CURRENT ASSET INVESTMENTS**

	<b>Group £</b>
Other	<u>320,213</u>

**Aykroyd & Sons Holdings Limited**

**Notes to the Consolidated Financial Statements - continued  
for the Period 26 October 2017 to 31 March 2018**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b> £	<b>Company</b> £
Trade creditors	671,555	-
Tax	186,826	-
Social security and other taxes	62,620	-
Other creditors	54,521	21,134
Accruals and deferred income	1,442,883	-
Deferred government grants	<u>9,215</u>	<u>-</u>
	<u><u>2,427,620</u></u>	<u><u>21,134</u></u>

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b> £	<b>Company</b> £
Preference shares (see note 18)	10,150,000	10,150,000
Deferred government grants	<u>442,312</u>	<u>-</u>
	<u><u>10,592,312</u></u>	<u><u>10,150,000</u></u>

**18. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b> £	<b>Company</b> £
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Preference shares	<u><u>10,150,000</u></u>	<u><u>10,150,000</u></u>

10,150,000 Redeemable Preference Shares of £1 each were issued on the 21 February 2018. These are redeemable in full on the tenth anniversary of the date of issue unless 75% of the holders of the redeemable preference shares agree for them to be redeemed earlier. The redeemable preference shares are entitled to a 2% fixed rate dividend per annum.

**19. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	Non- cancellable operating leases £
Between one and five years	<u><u>48,000</u></u>

# Aykroyd & Sons Holdings Limited

## Notes to the Consolidated Financial Statements - continued for the Period 26 October 2017 to 31 March 2018

### 20. FINANCIAL INSTRUMENTS

The group holds financial instruments that qualify as derivatives in order to cover risks arising from its operations.

The group places forward contracts for the purchase of US dollars and Euros at fixed rates. At the year end the value of the contracts which had not matured was €48,397. These foreign exchange contracts translate to an amount of £43,005.

The fair value at the year end of these forward purchase contracts has been calculated as £42,569.

### 21. PROVISIONS FOR LIABILITIES

	Group £
Deferred tax	<u>18,141</u>
<b>Group</b>	
	Deferred tax £
Accelerated capital allowances	<u>18,141</u>
Balance at 31 March 2018	<u>18,141</u>

### 22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:  
Number:

	Class:	Nominal Value:	£
445,000	Ordinary A	£1	445,000
222,500	Ordinary B	£1	222,500
222,500	Ordinary C	£1	222,500
3,560,000	Ordinary D	£1	3,560,000
			----- 4,450,000 =====

The following shares were issued at par during the year, consisting of cash and share exchange :

445,000 Ordinary A shares of £1  
222,500 Ordinary B shares of £1  
222,500 Ordinary C shares of £1  
3,560,000 Ordinary D shares of £1

### 23. RESERVES

Group	Retained earnings £
Profit for the period	<u>68,029</u>
At 31 March 2018	<u>68,029</u>



**Aykroyd & Sons Holdings Limited**

**Notes to the Consolidated Financial Statements - continued  
for the Period 26 October 2017 to 31 March 2018**

**23. RESERVES - continued**

**Company**

	Retained earnings £
Profit for the period	<u>3,178,866</u>
At 31 March 2018	<u><u>3,178,866</u></u>

**Aykroyd & Sons Holdings Limited**

**Company Detailed Profit and Loss Account  
for the Period 26 October 2017 to 31 March 2018**

	£	£
<b>Income</b>		-
<b>Other income</b>		
Shares in group undertakings		<u>3,200,000</u>
		3,200,000
<b>Finance costs</b>		
Dividends - preference shares		<u>21,134</u>
<b>NET PROFIT</b>		<u><u>3,178,866</u></u>