

REGISTERED NUMBER: 10827904 (England and Wales)

**TRUEMAN PARENT B LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTOR AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**



TRUEMAN PARENT B LIMITED
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for the Year Ended 31 March 2018

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TRUEMAN PARENT B LIMITED
COMPANY INFORMATION
for the Year Ended 31 March 2018

DIRECTOR: M J Foreman

REGISTERED OFFICE: Yorke Chambers
15 Royston Road
Baldock
Hertfordshire
SG7 6NW

REGISTERED NUMBER: 10827904 (England and Wales)

AUDITORS: Haines Watts South Midlands Audit LLP
1 Rushmills
Northampton
Northamptonshire
NN4 7YB

TRUEMAN PARENT B LIMITED
GROUP STRATEGIC REPORT
for the Year Ended 31 March 2018

The director presents his strategic report of the company and the group for the year ended 31 March 2018.

The principal activity of the group is the manufacture and or distribution of extruded polythene product, including board, bags and sacks on a bespoke basis for customer needs.

REVIEW OF BUSINESS

The business generated turnover of £23,817,699 for the year, relative to £27,832,463 on an equivalent basis in the prior year. In doing so it delivered a gross margin at 21.2%, being 35.9% in 2017. This position is judged by the director to reflect the strength of its ongoing relationships with both customers, and suppliers and its drive to work positively with both.

Hanmere Polythene Limited was sold on 22 December 2017, in order to assist the trustees in meeting their obligations. Therefore these financial statements include the Hanmere's results up to that date.

In order to generate significant additional capacity in support of the future expansion of the business, the Twinplast subsidiary relocated from Watford to Dunstable into newer, more modern and spacious premises during the year. This enabled a significant investment in new machinery which also took place in the year.

These direct costs have been reflected in the financial statements as exceptional costs of a non-recurring nature, totalling £1,290,321 and a further £902,000 as exceptional direct production costs through that period. The challenges that this restructure presented resulted in significant disruption to the business, with a reduction in turnover and margins. However, based on current trading patterns, the director is satisfied that these will be recovered over time.

The group delivered an operating profit of £424,085, representing a decrease of £1,953,715 on the prior year. The cost positions for each of the companies have been monitored across the group and maintained at levels broadly consistent with the prior year. This has involved the monitoring of polymer prices and vigilance in both direct cost and overhead procurement.

PRINCIPAL RISKS AND UNCERTAINTIES

We do not believe there are any significant risks and uncertainties facing the company and those within the group, other than those normally encountered within the industry. The director continues to actively monitor direct costs and pricing movements.

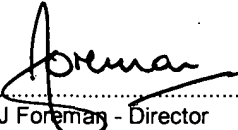
KEY PERFORMANCE INDICATORS

The key performance indicators used to monitor the business are as follows:

- Turnover movement; and
- Gross and operating profit percentages

The director considers these the most appropriate gauges for companies within the group.

ON BEHALF OF THE BOARD:


.....
M J Foreman - Director

Date: 20/12/2018

TRUEMAN PARENT B LIMITED
REPORT OF THE DIRECTOR
for the Year Ended 31 March 2018

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2018.

DIVIDENDS

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

RESEARCH AND DEVELOPMENT

The group will continue to invest in research and development to optimise our production processes and enhance product and service offerings to new and existing customers.

FUTURE DEVELOPMENTS

The subsidiaries directors continue to innovate, building on the group's existing customer portfolio and product range.

DIRECTOR

M J Foreman was appointed as a director on 20 June 2017 and held office during the whole of the period from then to the date of this report.

FINANCIAL INSTRUMENTS

The group utilises various financial instruments including loans, cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these is to raise finance for the group's operations. The existence of these financial instruments exposes the group to a number of financial risks, which are described in more detail in the Strategic Report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is 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 he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

TRUEMAN PARENT B LIMITED
REPORT OF THE DIRECTOR
for the Year Ended 31 March 2018

AUDITORS

The auditors, Haines Watts South Midlands Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
M J Foreman - Director

Date: 20/12/2018

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TRUEMAN PARENT B LIMITED**

Opinion

We have audited the financial statements of Trueman Parent B Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, 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 loss 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 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, 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 Director 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 Director have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TRUEMAN PARENT B 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 Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

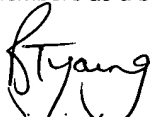
Auditors' responsibilities for the audit of the financial statements

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. 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.



Benjamin Young FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts South Midlands Audit LLP
1 Rushmills
Northampton
Northamptonshire
NN4 7YB

Date: 29 December 2010

TRUEMAN PARENT B LIMITED
CONSOLIDATED INCOME STATEMENT
for the Year Ended 31 March 2018

	Notes	2018		2017	
		£	£	£	£
TURNOVER	3		23,817,699		27,832,463
Cost of sales			<u>18,758,996</u>		<u>17,826,333</u>
GROSS PROFIT			5,058,703		10,006,130
Distribution costs		740,425		750,138	
Administrative expenses		<u>4,120,855</u>		<u>6,879,138</u>	
			<u>4,861,280</u>		<u>7,629,276</u>
			197,423		2,376,854
Other operating income			<u>226,662</u>		<u>946</u>
OPERATING PROFIT	5		424,085		2,377,800
Exceptional items	6		<u>1,290,321</u>		<u>-</u>
			(866,236)		2,377,800
Interest receivable and similar income			<u>162</u>		<u>3,167</u>
			(866,074)		2,380,967
Amounts written off investments	7		<u>(55,496)</u>		<u>-</u>
			(810,578)		2,380,967
Interest payable and similar expenses	8		<u>10,931</u>		<u>3,384</u>
(LOSS)/PROFIT BEFORE TAXATION			(821,509)		2,377,583
Tax on (loss)/profit	9		<u>131,193</u>		<u>(554,620)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR			<u>(952,702)</u>		<u>2,932,203</u>
(Loss)/profit attributable to: Owners of the parent			<u>(952,702)</u>		<u>2,932,203</u>

The notes form part of these financial statements

TRUEMAN PARENT B LIMITED
CONSOLIDATED OTHER COMPREHENSIVE INCOME
for the Year Ended 31 March 2018

Notes	2018 £	2017 £
(LOSS)/PROFIT FOR THE YEAR	(952,702)	2,932,203
OTHER COMPREHENSIVE INCOME		
Loss on disposal of subsidiary	(5,459,898)	-
Income tax relating to other comprehensive income	<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>(5,459,898)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(6,412,600)</u>	<u>2,932,203</u>
Total comprehensive income attributable to: Owners of the parent	<u>(6,412,600)</u>	<u>2,932,203</u>

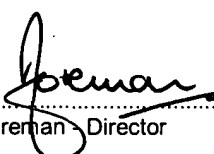
The notes form part of these financial statements

TRUEMAN PARENT B LIMITED (REGISTERED NUMBER: 10827904)

CONSOLIDATED BALANCE SHEET
31 March 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		3,689,699		4,960,778
Investments	14		<u>55,496</u>		<u>-</u>
			3,745,195		4,960,778
CURRENT ASSETS					
Stocks	15	643,876		1,789,410	
Debtors	16	2,830,669		7,132,104	
Investments	17	774		774	
Cash at bank and in hand		<u>2,214,265</u>		<u>4,786,479</u>	
		5,689,584		13,708,767	
CREDITORS					
Amounts falling due within one year	18	<u>2,037,421</u>		<u>5,366,135</u>	
NET CURRENT ASSETS			<u>3,652,163</u>		<u>8,342,632</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			7,397,358		13,303,410
CREDITORS					
Amounts falling due after more than one year	19		(683,333)		-
PROVISIONS FOR LIABILITIES	23		<u>(235,637)</u>		<u>(395,420)</u>
NET ASSETS			<u>6,478,388</u>		<u>12,907,990</u>
CAPITAL AND RESERVES					
Called up share capital	24		194,502		1,000,000
Share premium	25		793,993		793,993
Capital redemption reserve	25		-		475
Other reserves	25		(3,077,776)		(3,866,747)
Retained earnings	25		<u>8,567,669</u>		<u>14,980,269</u>
SHAREHOLDERS' FUNDS			<u>6,478,388</u>		<u>12,907,990</u>

The financial statements were approved by the director on 29th December 2018 and were signed by:


.....
M J Foreman - Director

The notes form part of these financial statements


TRUEMAN PARENT B LIMITED (REGISTERED NUMBER: 10827904)

COMPANY BALANCE SHEET
31 March 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		-		-
Investments	14		<u>209,507</u>		<u>-</u>
			209,507		-
CREDITORS					
Amounts falling due within one year	18	<u>3,455</u>		<u>-</u>	
NET CURRENT LIABILITIES			<u>(3,455)</u>		<u>-</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>206,052</u>		<u>-</u>
CAPITAL AND RESERVES					
Called up share capital	24		194,502		-
Retained earnings			<u>11,550</u>		<u>-</u>
SHAREHOLDERS' FUNDS			<u>206,052</u>		<u>-</u>
Company's profit for the financial year			<u>11,550</u>		<u>-</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 25th December 2018 and were signed by:


M J Foreman - Director

The notes form part of these financial statements

TRUEMAN PARENT B LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 March 2018

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2016	1,000,000	12,589,188	793,993
Changes in equity			
Dividends	-	(543,000)	-
Total comprehensive income	-	<u>2,934,081</u>	-
Balance at 31 March 2017	<u>1,000,000</u>	<u>14,980,269</u>	<u>793,993</u>
Changes in equity			
Changes in share capital	(805,498)	-	-
Other reserves movement	-	-	-
Total comprehensive income	-	<u>(6,412,600)</u>	-
Balance at 31 March 2018	<u>194,502</u>	<u>8,567,669</u>	<u>793,993</u>

	Revaluation reserve £	Capital redemption reserve £	Other reserves £	Total equity £
Balance at 1 April 2016	1,878	475	(3,866,747)	10,518,787
Changes in equity				
Dividends	-	-	-	(543,000)
Total comprehensive income	<u>(1,878)</u>	-	-	<u>2,932,203</u>
Balance at 31 March 2017	<u>-</u>	<u>475</u>	<u>(3,866,747)</u>	<u>12,907,990</u>
Changes in equity				
Changes in share capital	-	-	-	(805,498)
Other reserves movement	-	(475)	788,971	788,496
Total comprehensive income	-	-	-	<u>(6,521,668)</u>
Balance at 31 March 2018	<u>-</u>	<u>-</u>	<u>(3,077,776)</u>	<u>6,369,320</u>

The notes form part of these financial statements

TRUEMAN PARENT B LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 March 2018

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity	_____	_____	_____
Balance at 31 March 2017	-	-	-
Changes in equity			
Issue of share capital	194,502	-	194,502
Total comprehensive income	-	11,550	11,550
	_____	_____	_____
Balance at 31 March 2018	<u>194,502</u>	<u>11,550</u>	<u>206,052</u>

The notes form part of these financial statements

TRUEMAN PARENT B LIMITED
CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	(779,371)	2,696,350
Interest element of hire purchase payments paid		(10,931)	(2,807)
Finance costs paid		-	(577)
Tax paid		<u>198,872</u>	<u>(566,733)</u>
Net cash from operating activities		<u>(591,430)</u>	<u>2,126,233</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(690,784)	(2,866,098)
Sale of tangible fixed assets		21,000	33,207
Sale of fixed asset investments		(2,239,359)	-
Interest received		<u>162</u>	<u>3,167</u>
Net cash from investing activities		<u>(2,908,981)</u>	<u>(2,829,724)</u>
Cash flows from financing activities			
New loans in year		1,000,000	-
Capital repayments in year		(121,221)	(14,909)
Equity dividends paid		<u>-</u>	<u>(543,000)</u>
Net cash from financing activities		<u>878,779</u>	<u>(557,909)</u>
Decrease in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	(2,621,632)	(1,261,400)
		<u>4,720,047</u>	<u>5,981,447</u>
Cash and cash equivalents at end of year	2	<u>2,098,415</u>	<u>4,720,047</u>

The notes form part of these financial statements

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 March 2018

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
(Loss)/profit before taxation	(821,509)	2,377,583
Depreciation charges	443,729	418,829
Profit on disposal of fixed assets	(10,652)	(30,641)
Fixed asset impairment	851,599	-
Finance costs	10,931	3,384
Finance income	(162)	(3,167)
	<u>473,936</u>	<u>2,765,988</u>
Decrease/(increase) in stocks	90,746	(324,967)
(Increase)/decrease in trade and other debtors	(1,021,312)	17,618
(Decrease)/increase in trade and other creditors	<u>(322,741)</u>	<u>237,711</u>
Cash generated from operations	<u>(779,371)</u>	<u>2,696,350</u>

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:

Year ended 31 March 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	2,214,265	4,786,479
Bank overdrafts	<u>(115,850)</u>	<u>(66,432)</u>
	<u>2,098,415</u>	<u>4,720,047</u>

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	4,786,479	5,981,447
Bank overdrafts	<u>(66,432)</u>	<u>-</u>
	<u>4,720,047</u>	<u>5,981,447</u>

The notes form part of these financial statements

TRUEMAN PARENT B LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the Year Ended 31 March 2018**

1. STATUTORY INFORMATION

Trueman Parent B 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.

There were no material departures that standard.

Basis of consolidation

The financial statements consolidate the accounts of Trueman Parent B Limited and all of its subsidiary undertakings. In accordance with UK Generally Accepted Accounting Practice, merger accounting has been applied following a group restructure on 22 December 2017. The difference between the nominal value of the shares issued and the nominal value of the shares acquired has been posted to the merger reserve.

Significant judgements and estimates

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The director does not consider that there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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.

Development costs are being amortised evenly over their estimated useful life of nil years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on cost
Plant and machinery	- 10% on cost and Straight line over 15 years
Fixtures and fittings	- 20% on cost and 15% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- 50% on cost and 12.5% or 20% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. For raw materials, cost is determined on a first in first out basis. For finished goods, cost is determined on a standard cost basis, which includes raw materials and an allocation of overhead costs. Provision is made in respect of obsolete and slow moving stock.

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

2. ACCOUNTING POLICIES - continued

Financial instruments

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Basic financial liabilities, including trade and other payables, 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

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.

Taxation

Taxation for the year 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 year 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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

2. ACCOUNTING POLICIES - continued

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

3. TURNOVER

The turnover and loss (2017 - profit) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2018 £	2017 £
United Kingdom	22,773,060	26,648,046
Europe	1,035,574	1,184,417
Rest of the world	9,065	-
	<u>23,817,699</u>	<u>27,832,463</u>

4. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	4,545,255	4,979,754
Social security costs	455,390	520,008
Other pension costs	129,375	140,414
	<u>5,130,020</u>	<u>5,640,176</u>

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

	2018	2017
Production	100	112
Distribution and selling	18	19
Administration	12	14
	<u>130</u>	<u>145</u>

	2018 £	2017 £
Director's remuneration	489,028	775,987
Director's pension contributions to money purchase schemes	28,226	38,058

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

4. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	2018 £	2017 £
Emoluments etc	<u>120,000</u>	<u>192,000</u>

5. OPERATING PROFIT

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

	2018 £	2017 £
Hire of plant and machinery	30,167	6,867
Other operating leases	423,773	308,548
Depreciation - owned assets	339,277	386,118
Depreciation - assets on hire purchase contracts	104,452	32,713
Profit on disposal of fixed assets	(10,652)	(30,641)
Auditors' remuneration	3,450	3,500
Auditors remuneration - subsidiaries	23,969	23,175
Foreign exchange differences	<u>(101,019)</u>	<u>(113,629)</u>

6. EXCEPTIONAL ITEMS

During the year the group has incurred exceptional costs in relation to a factory relocation as follows:

	2018 £	2017 £
Restructuring costs	(238,640)	-
Removal and relocation expenses	(139,562)	-
Fixed asset impairment	(851,599)	-
Dilapidations	<u>(60,520)</u>	-
	<u>(1,290,321)</u>	-

7. AMOUNTS WRITTEN OFF INVESTMENTS

	2018 £	2017 £
Amounts w/o invs	<u>(55,496)</u>	-

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018 £	2017 £
Hire purchase	10,931	2,807
Factoring interest	-	577
	<u>10,931</u>	<u>3,384</u>

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

9. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the loss for the year was as follows:

	2018 £	2017 £
Current tax:		
UK corporation tax	129,269	136,270
Prior year adjustment	<u>102,763</u>	<u>(753,313)</u>
Total current tax	232,032	(617,043)
Deferred tax	<u>(100,839)</u>	<u>62,423</u>
Tax on (loss)/profit	<u>131,193</u>	<u>(554,620)</u>

Reconciliation of total tax charge/(credit) included in profit and loss

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

	2018 £	2017 £
(Loss)/profit before tax	<u>(821,509)</u>	<u>2,377,583</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	(156,087)	475,517
Effects of:		
Expenses not deductible for tax purposes	9,218	3,655
Income not taxable for tax purposes	(27,715)	(17,168)
Capital allowances in excess of depreciation	-	(70,698)
Depreciation in excess of capital allowances	47,489	-
Utilisation of tax losses	-	(4,886)
Adjustments to tax charge in respect of previous periods	(96,249)	(753,313)
Deferred tax charge	100,839	62,423
Enhanced R&D relief	(151,617)	(250,150)
Losses carried forward	<u>405,315</u>	<u>-</u>
Total tax charge/(credit)	<u>131,193</u>	<u>(554,620)</u>

Tax effects relating to effects of other comprehensive income

	Gross £	2018 Tax £	Net £
Loss on disposal of subsidiary	<u>(5,459,898)</u>	<u>-</u>	<u>(5,459,898)</u>

A reduction in the UK corporation tax rate from 19% to 18% (effective 1 April 2020) was substantively enacted on 26 October 2015. An additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the group's future current tax charge accordingly. The deferred tax liability at 31 March 2018 has been calculated based on these rates.

The group has estimated trading losses of £2,133,236 available for carry forward against future trading profits. A deferred tax asset of £405,315 has not been provided due to the uncertainty of sufficient taxable profits in the foreseeable future.

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

10. 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.

11. DIVIDENDS

	2018 £	2017 £
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>543,000</u>

12. INTANGIBLE FIXED ASSETS

Group

	Development costs £
COST	
At 1 April 2017 and 31 March 2018	<u>106,223</u>
AMORTISATION	
At 1 April 2017 and 31 March 2018	<u>106,223</u>
NET BOOK VALUE	
At 31 March 2018	<u>-</u>
At 31 March 2017	<u>-</u>

13. TANGIBLE FIXED ASSETS

Group

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2017	394,052	10,440,963	118,988
Additions	73,901	569,970	25,689
Disposals	(119,269)	(1,948,810)	(80,220)
Disposal of subsidiary assets	-	(4,662,084)	-
At 31 March 2018	<u>348,684</u>	<u>4,400,039</u>	<u>64,457</u>
DEPRECIATION			
At 1 April 2017	50,880	6,028,230	95,857
Charge for year	30,323	358,522	10,065
Eliminated on disposal	(119,269)	(1,938,462)	(80,220)
Impairments	68,389	780,780	2,430
Disposal of subsidiary assets	-	(4,164,044)	-
At 31 March 2018	<u>30,323</u>	<u>1,065,026</u>	<u>28,132</u>
NET BOOK VALUE			
At 31 March 2018	<u>318,361</u>	<u>3,335,013</u>	<u>36,325</u>
At 31 March 2017	<u>343,172</u>	<u>4,412,733</u>	<u>23,131</u>

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

13. TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2017	255,796	268,789	11,478,588
Additions	-	21,224	690,784
Disposals	(69,385)	-	(2,217,684)
Disposal of subsidiary assets	<u>(186,411)</u>	<u>(244,700)</u>	<u>(5,093,195)</u>
At 31 March 2018	-	45,313	4,858,493
DEPRECIATION			
At 1 April 2017	108,925	233,918	6,517,810
Charge for year	34,951	9,868	443,729
Eliminated on disposal	(69,385)	-	(2,207,336)
Impairments	-	-	851,599
Disposal of subsidiary assets	<u>(74,491)</u>	<u>(198,473)</u>	<u>(4,437,008)</u>
At 31 March 2018	-	45,313	1,168,794
NET BOOK VALUE			
At 31 March 2018	-	-	3,689,699
At 31 March 2017	<u>146,871</u>	<u>34,871</u>	<u>4,960,778</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 April 2017	490,690
Additions	97,615
Transfer to ownership	(490,690)
Disposal of subsidiary assets	<u>1,485,744</u>
At 31 March 2018	1,583,359
DEPRECIATION	
At 1 April 2017	98,138
Charge for year	104,452
Transfer to ownership	<u>(98,138)</u>
At 31 March 2018	104,452
NET BOOK VALUE	
At 31 March 2018	<u>1,478,907</u>
At 31 March 2017	<u>392,552</u>

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

14. FIXED ASSET INVESTMENTS

Group		Shares in group undertakings £
COST		
Impairments		<u>55,496</u>
At 31 March 2018		<u>55,496</u>
NET BOOK VALUE		
At 31 March 2018		<u>55,496</u>
Company		Shares in group undertakings £
COST		
Additions		<u>209,507</u>
At 31 March 2018		<u>209,507</u>
NET BOOK VALUE		
At 31 March 2018		<u>209,507</u>

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

Subsidiary

Consolidated Plastics Limited

Registered office: Yorke Chambers, 15 Royston Road, Baldock, Hertfordshire, SG7 6NW

Nature of business: Intermediate parent company

	%		
Class of shares:	holding		
Ordinary A	100.00		
Ordinary B	100.00		
		2018	2017
		£	£
Aggregate capital and reserves		6,705,514	7,168,608
Profit for the year		<u>51,903</u>	<u>3,745,630</u>

The Consolidated Plastics group was acquired by share for share exchange during a group restructure on 22 December 2017. The subsidiary and its subsidiary undertakings have been consolidated under the merger accounting rules, with the difference between the nominal value of the shares issued and the nominal value of the shares acquired going to the merger reserve.

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

15. STOCKS

	Group	
	2018	2017
	£	£
Raw materials	532,202	1,322,196
Finished goods	111,674	467,214
	<u>643,876</u>	<u>1,789,410</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2018	2017
	£	£
Trade debtors	2,259,650	5,991,127
Other debtors	367,934	275,734
Directors' current accounts	90,147	90,147
Tax	105,193	641,593
Called up share capital not paid	4	1
Prepayments and accrued income	7,741	133,502
	<u>2,830,669</u>	<u>7,132,104</u>

17. CURRENT ASSET INVESTMENTS

	Group	
	2018	2017
	£	£
Unlisted investments	<u>774</u>	<u>774</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts (see note 20)	115,850	66,432	-	-
Hire purchase contracts (see note 21)	200,000	4,554	-	-
Trade creditors	1,362,789	3,606,108	-	-
Amounts owed to group undertakings	-	-	5	-
Social security and other taxes	59,320	149,461	-	-
VAT	25,358	342,724	-	-
Other creditors	58,771	496,644	-	-
Accruals and deferred income	215,333	700,212	3,450	-
	<u>2,037,421</u>	<u>5,366,135</u>	<u>3,455</u>	<u>-</u>

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2018	2017
	£	£
Hire purchase contracts (see note 21)	<u>683,333</u>	<u>-</u>

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

20. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>115,850</u>	<u>66,432</u>

21. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group		Hire purchase contracts	
		2018	2017
		£	£
Net obligations repayable:			
Within one year		200,000	4,554
Between one and five years		<u>683,333</u>	<u>-</u>
		<u>883,333</u>	<u>4,554</u>

Group		Non-cancellable operating leases	
		2018	2017
		£	£
Within one year		373,486	484,933
Between one and five years		846,937	1,252,967
In more than five years		<u>1,709,180</u>	<u>1,910,260</u>
		<u>2,929,603</u>	<u>3,648,160</u>

22. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2018	2017
	£	£
Hire purchase contracts	<u>883,333</u>	<u>4,554</u>

The hire purchase creditors are secured on the assets to which they relate.

23. PROVISIONS FOR LIABILITIES

	Group	
	2018	2017
	£	£
Deferred tax		
Accelerated capital allowances	350,257	395,420
Deferred tax	<u>(114,620)</u>	<u>-</u>
	<u>235,637</u>	<u>395,420</u>

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

23. PROVISIONS FOR LIABILITIES - continued

Group	Deferred tax £
Balance at 1 April 2017	395,420
Credit to Income Statement during year	(100,839)
Disposal of subsidiary	<u>(58,944)</u>
Balance at 31 March 2018	<u>235,637</u>

24. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2018 £	2017 £
Number:	Class:	£1	<u>194,502</u>	<u>1,000,000</u>
194,502	Ordinary			

194,502 Ordinary shares of £1 each were allotted and fully paid for cash at par during the year.

The comparative figure relates to the share capital of Consolidated Plastics Limited, the previous parent company of the group.

25. RESERVES

Group	Retained earnings £	Share premium £	Capital redemption reserve £	Other reserves £	Totals £
At 1 April 2017	14,980,269	793,993	475	(3,866,747)	11,907,990
Deficit for the year	(952,702)				(952,702)
Other reserves movement	-	-	-	788,971	788,971
Loss on disposal of subsidiary	<u>(5,459,898)</u>	<u>-</u>	<u>(475)</u>	<u>-</u>	<u>(5,460,373)</u>
At 31 March 2018	<u>8,567,669</u>	<u>793,993</u>	<u>-</u>	<u>(3,077,776)</u>	<u>6,283,886</u>

26. PENSION COMMITMENTS

The group operates a group personal pension plan open to current employees who meet the eligibility criteria. It is administered by Scottish Widows on a money purchase basis with individual policies for each member; the group offers and is liable for no guarantees.

The group has a designated stakeholder scheme for those employees who do not meet the eligibility criteria.

The total pension cost for the year was £129,375 (2017: £140,414).

Pension contributions outstanding included in other creditors at 31 March 2018 amounted to £9,811 (2017: £14,555).

27. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

TRUEMAN PARENT B LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

27. **RELATED PARTY DISCLOSURES - continued**

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

At 31 March 2018, included in other creditors, is a provision for accrued loan interest due to the trustees of the Michael Cowan estate totalling £nil (2017: £168,365). Also owing at 31 March 2018 was £nil (2017: £32,762) through his previous directors loan account. These amounts have been written off during the year.

At 31 March 2018, a directors loan account subsisted with P Bexon, a director of Halcyon Plastics Limited. The balance owing to the group at 31 March 2018 was £90,147 (2017: £90,147).

During the year, a total of key management personnel compensation of £517,254 (2017 - £814,045) was paid.

28. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is M J Foreman and Farrer & Co Trust Corporation Limited, as Trustees of the estate of M A Cowan.

29. **SHARE-BASED PAYMENT TRANSACTIONS**

Consolidated Plastics Limited has a share option scheme for some employees. The vesting period is dependant upon an exit event. The options are settled in equity once exercised.

If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Options are forfeited if the employee leaves the company before the options vest.

The share options were exercised on 22 December 2017 upon the sale of a subsidiary undertaking.

The share options outstanding at the end of the year were as follows:

Expiry date	Exercise price		2018	2017
	£		No	No
8 March 2026	1.00		-	1
21 March 2026	1.00		-	2