

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTOR AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
FOR
CONSOLIDATED PLASTICS LIMITED (GROUP)**



CONSOLIDATED PLASTICS LIMITED (GROUP)
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For The Year Ended 31 March 2020

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CONSOLIDATED PLASTICS LIMITED (GROUP)

COMPANY INFORMATION
For The Year Ended 31 March 2020

DIRECTOR:

M J Foreman

REGISTERED OFFICE:

23 Shefford Road
Meppershall
Sheffield
SG17 5LN

REGISTERED NUMBER:

10827904 (England and Wales)

AUDITORS:

Fortus Audit LLP
1 Rushmills
Bedford Road
Northampton
Northamptonshire
NN4 7YB

CONSOLIDATED PLASTICS LIMITED (GROUP)

GROUP STRATEGIC REPORT
For The Year Ended 31 March 2020

The director presents his strategic report of the company and the group for the year ended 31 March 2020.

REVIEW OF BUSINESS

The group generated turnover of £8,462,731 for the year, relative to £8,911,494 in the prior year. The gross profit margin achieved in the year was 25.64% compared to 20.91% in 2019. The group delivered an operating loss of £51,690, representing an increase of £246,528 on the prior year.

The directors are satisfied with the overall results achieved by the group given the challenges to both our sector and the wider economic environment. The group has worked closely with its customers and suppliers during the year in order to sustain and build on the relationships developed over many years. We are very grateful for these relationships.

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 in the industry. The director continues to actively monitor direct costs and pricing movements.

The group continues to monitor the impact of the COVID-19 pandemic and considers it has been able to proactively address these challenges with positive trading post year end.

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 the companies within the group.

ON BEHALF OF THE BOARD:


.....
M J Foreman Director

Date: 25/03/2021

CONSOLIDATED PLASTICS LIMITED (GROUP)

**REPORT OF THE DIRECTOR
For The Year Ended 31 March 2020**

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2020.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2020.

DIRECTOR

M J Foreman held office during the whole of the period from 1 April 2019 to the date of this 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.

AUDITORS

The auditors, Fortus Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



M J Foreman - Director

Date: 25/03/2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CONSOLIDATED PLASTICS LIMITED (GROUP)**

Opinion

We have audited the financial statements of Consolidated Plastics Limited (Group) (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 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 2020 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CONSOLIDATED PLASTICS LIMITED (GROUP)**

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.

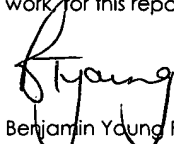
Auditors' responsibilities for the audit of the financial statements

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 Fortus Audit LLP
1 Rushmills
Bedford Road
Northampton
Northamptonshire
NN4 7YB

Date: 25 MARCH 2021

CONSOLIDATED PLASTICS LIMITED (GROUP)

**CONSOLIDATED INCOME STATEMENT
For The Year Ended 31 March 2020**

	Notes	2020		2019	
		£	£	£	£
TURNOVER	3		8,462,731		8,911,494
Cost of sales			<u>6,292,547</u>		<u>7,048,407</u>
GROSS PROFIT			2,170,184		1,863,087
Distribution costs		575,071		639,383	
Administrative expenses		<u>1,684,008</u>		<u>1,677,893</u>	
			<u>2,259,079</u>		<u>2,317,276</u>
			(88,895)		(454,189)
Other operating income			<u>37,205</u>		<u>155,701</u>
OPERATING LOSS	5		(51,690)		(298,488)
Exceptional items	6		<u>-</u>		<u>120,979</u>
			(51,690)		(419,467)
Interest receivable and similar income			<u>997</u>		<u>533</u>
			(50,693)		(418,934)
Interest payable and similar expenses	7		<u>17,240</u>		<u>17,240</u>
LOSS BEFORE TAXATION			(67,933)		(436,174)
Tax on loss	8		<u>(34,044)</u>		<u>29,424</u>
LOSS FOR THE FINANCIAL YEAR			<u>(33,889)</u>		<u>(465,598)</u>
Loss attributable to: Owners of the parent			<u>(33,889)</u>		<u>(465,598)</u>

The notes form part of these financial statements

CONSOLIDATED PLASTICS LIMITED (GROUP)
CONSOLIDATED OTHER COMPREHENSIVE INCOME
For The Year Ended 31 March 2020

Notes	2020 £	2019 £
LOSS FOR THE YEAR	(33,889)	(465,598)
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(33,889)</u>	<u>(465,598)</u>
Total comprehensive income attributable to: Owners of the parent	<u>(33,889)</u>	<u>(465,598)</u>


The notes form part of these financial statements

CONSOLIDATED PLASTICS LIMITED (GROUP) (REGISTERED NUMBER: 10827904)

CONSOLIDATED BALANCE SHEET
31 March 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	10	90,189	72,672
Tangible assets	11	3,353,906	3,662,886
Investments	12	55,496	55,496
		<u>3,499,591</u>	<u>3,791,054</u>
CURRENT ASSETS			
Stocks	13	475,926	446,616
Debtors	14	2,282,761	2,502,025
Investments	15	-	774
Cash at bank and in hand		1,888,953	1,763,005
		<u>4,647,640</u>	<u>4,712,420</u>
CREDITORS			
Amounts falling due within one year	16	1,581,934	1,711,223
			<u>1,711,223</u>
NET CURRENT ASSETS		<u>3,065,706</u>	<u>3,001,197</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,565,297</u>	<u>6,792,251</u>
CREDITORS			
Amounts falling due after more than one year	17	(283,333)	(483,333)
PROVISIONS FOR LIABILITIES	20	(303,062)	(296,127)
NET ASSETS		<u><u>5,978,902</u></u>	<u><u>6,012,791</u></u>
CAPITAL AND RESERVES			
Called up share capital	21	194,502	194,502
Share premium		793,993	793,993
Other reserves		(3,077,775)	(3,077,775)
Retained earnings		8,068,182	8,102,071
SHAREHOLDERS' FUNDS		<u><u>5,978,902</u></u>	<u><u>6,012,791</u></u>

The financial statements were approved by the director and authorised for issue on 31st March 2021 and were signed by:


.....
M J Foreman - Director

The notes form part of these financial statements

CONSOLIDATED PLASTICS LIMITED (GROUP) (REGISTERED NUMBER: 10827904)

COMPANY BALANCE SHEET
31 March 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	-	-
Investments	12	4,592,253	209,507
		<u>4,592,253</u>	<u>209,507</u>
CURRENT ASSETS			
Debtors	14	2,482	-
Cash at bank		1,275,138	500,000
		<u>1,277,620</u>	<u>500,000</u>
CREDITORS			
Amounts falling due within one year	16	399,859	6,905
		<u>399,859</u>	<u>6,905</u>
NET CURRENT ASSETS		<u>877,761</u>	<u>493,095</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,470,014</u>	<u>702,602</u>
CAPITAL AND RESERVES			
Called up share capital	21	194,502	194,502
Retained earnings		5,275,512	508,100
		<u>5,470,014</u>	<u>702,602</u>
SHAREHOLDERS' FUNDS			
		<u>5,470,014</u>	<u>702,602</u>
Company's profit for the financial year		<u>4,767,412</u>	<u>496,550</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the director and authorised for issue on 25th March 2021 and were signed by:


M.J. Foreman - Director

The notes form part of these financial statements

CONSOLIDATED PLASTICS LIMITED (GROUP)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Share premium £	Other reserves £	Total equity £
Balance at 1 April 2018	194,502	8,567,669	793,993	(3,077,775)	6,478,389
Changes in equity					
Total comprehensive income	-	(465,598)	-	-	(465,598)
Balance at 31 March 2019	<u>194,502</u>	<u>8,102,071</u>	<u>793,993</u>	<u>(3,077,775)</u>	<u>6,012,791</u>
Changes in equity					
Total comprehensive income	-	(33,889)	-	-	(33,889)
Balance at 31 March 2020	<u><u>194,502</u></u>	<u><u>8,068,182</u></u>	<u><u>793,993</u></u>	<u><u>(3,077,775)</u></u>	<u><u>5,978,902</u></u>

The notes form part of these financial statements

CONSOLIDATED PLASTICS LIMITED (GROUP)
COMPANY STATEMENT OF CHANGES IN EQUITY
For The Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2018	194,502	11,550	206,052
Changes in equity			
Total comprehensive income	-	496,550	496,550
Balance at 31 March 2019	<u>194,502</u>	<u>508,100</u>	<u>702,602</u>
Changes in equity			
Total comprehensive income	-	4,767,412	4,767,412
Balance at 31 March 2020	<u><u>194,502</u></u>	<u><u>5,275,512</u></u>	<u><u>5,470,014</u></u>

The notes form part of these financial statements

CONSOLIDATED PLASTICS LIMITED (GROUP)

**CONSOLIDATED CASH FLOW STATEMENT
For The Year Ended 31 March 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	356,128	171,781
Interest element of hire purchase payments paid		(17,240)	(17,240)
Tax paid		107,980	11,379
Net cash from operating activities		<u>446,868</u>	<u>165,920</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(39,737)	(72,672)
Purchase of tangible fixed assets		(33,314)	(301,694)
Interest received		997	533
Net cash from investing activities		<u>(72,054)</u>	<u>(373,833)</u>
Cash flows from financing activities			
Capital repayments in year		(200,000)	(200,000)
Amount withdrawn by directors		-	(741)
Net cash from financing activities		<u>(200,000)</u>	<u>(200,741)</u>
Increase/(decrease) in cash and cash equivalents		<u>174,814</u>	<u>(408,654)</u>
Cash and cash equivalents at beginning of year	2	1,689,761	2,098,415
Cash and cash equivalents at end of year	2	<u><u>1,864,575</u></u>	<u><u>1,689,761</u></u>

The notes form part of these financial statements

CONSOLIDATED PLASTICS LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
For The Year Ended 31 March 2020**

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Loss before taxation	(67,933)	(436,174)
Depreciation charges	364,514	328,508
Finance costs	17,240	17,240
Finance income	(997)	(533)
	<u>312,824</u>	<u>(90,959)</u>
(Increase)/decrease in stocks	(29,310)	197,260
Decrease in trade and other debtors	142,719	363,436
Decrease in trade and other creditors	(70,105)	(297,956)
	<u>312,824</u>	<u>(90,959)</u>
Cash generated from operations	<u><u>356,128</u></u>	<u><u>171,781</u></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 2020

	31.3.20	1.4.19
	£	£
Cash and cash equivalents	1,888,953	1,763,005
Bank overdrafts	(24,378)	(73,244)
	<u>1,864,575</u>	<u>1,689,761</u>

Year ended 31 March 2019

	31.3.19	1.4.18
	£	£
Cash and cash equivalents	1,763,005	2,214,265
Bank overdrafts	(73,244)	(115,850)
	<u>1,689,761</u>	<u>2,098,415</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.19	Cash flow	At 31.3.20
	£	£	£
Net cash			
Cash at bank and in hand	1,763,005	125,948	1,888,953
Bank overdrafts	(73,244)	48,866	(24,378)
	<u>1,689,761</u>	<u>174,814</u>	<u>1,864,575</u>
Liquid resources			
Current asset investments	774	(774)	-
	<u>774</u>	<u>(774)</u>	<u>-</u>
Debt			
Finance leases	(683,333)	200,000	(483,333)
	<u>(683,333)</u>	<u>200,000</u>	<u>(483,333)</u>
Total	<u><u>1,007,202</u></u>	<u><u>374,040</u></u>	<u><u>1,381,242</u></u>

The notes form part of these financial statements

CONSOLIDATED PLASTICS LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For The Year Ended 31 March 2020

1. STATUTORY INFORMATION

Consolidated Plastics Limited (Group) 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 financial statements consolidate the accounts of Consolidated Plastics Limited and its subsidiary undertakings from the date of acquisition. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

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.

Computer software is being amortised evenly over its 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	- Over remaining period of the lease
Fixtures and fittings	- 20% on cost and 15% on reducing balance
Computer equipment	- 50% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

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.

CONSOLIDATED PLASTICS LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020

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.

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.

CONSOLIDATED PLASTICS LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020

2. ACCOUNTING POLICIES - continued

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.

Going concern

The directors have considered the impact of COVID-19 in relation to their assessment of going concern and in their opinion has taken all reasonable steps to mitigate these factors.

As at the point of authorising the accounts, and for the foreseeable future, the directors consider the going concern assumption to still be appropriate.

The directors acknowledge that given the currently rapidly changing business and social environment, there are likely to be significant unknown factors which may present themselves. Such factors are considered by the directors to represent a general inherent level of risk in relation to the going concern assumption albeit not quantifiable at this time.

3. TURNOVER

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

An analysis of turnover by geographical market is given below:

	2020	2019
	£	£
United Kingdom	8,462,731	8,911,494
	<u>8,462,731</u>	<u>8,911,494</u>

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 44 (2019: 51).

	2020	2019
	£	£
Director's remuneration	291,798	395,921
Director's pension contributions to money purchase schemes	40,740	19,295
	<u>332,538</u>	<u>415,216</u>

Information regarding the highest paid director is as follows:

	2020	2019
	£	£
Emoluments etc	126,143	74,085

CONSOLIDATED PLASTICS LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020**

5. OPERATING LOSS

The operating loss is stated after charging:

	2020	2019
	£	£
Hire of plant and machinery	5,853	6,893
Other operating leases	280,880	398,915
Depreciation - owned assets	235,538	222,950
Depreciation - assets on hire purchase contracts	106,756	105,557
Computer software amortisation	22,220	-
Auditors' remuneration	9,450	10,450
Auditors remuneration - subsidiaries	9,000	14,675
Foreign exchange differences	-	50
	<u> </u>	<u> </u>

6. EXCEPTIONAL ITEMS

	2020	2019
	£	£
Exceptional items	<u> </u>	<u>(120,979)</u>

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

	2020	2019
	£	£
Restructuring costs	<u> </u>	<u>(120,979)</u>
	<u> </u>	<u>(120,979)</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Hire purchase	<u>17,240</u>	<u>17,240</u>

8. TAXATION

Analysis of the tax (credit)/charge

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	(22,736)	241
Prior year adjustment	(18,243)	(33,231)
Total current tax	(40,979)	(32,990)
Deferred tax	<u>6,935</u>	<u>62,414</u>
Tax on loss	<u>(34,044)</u>	<u>29,424</u>

CONSOLIDATED PLASTICS LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020

8. TAXATION - continued

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

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

	2020 £	2019 £
Loss before tax	<u>(67,933)</u>	<u>(436,174)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(12,907)	(82,873)
Effects of:		
Expenses not deductible for tax purposes	50,905	2,225
Income not taxable for tax purposes	(7,258)	(29,583)
Capital allowances in excess of depreciation	(2,194)	(54,727)
Utilisation of tax losses	(33,476)	(29,661)
Adjustments to tax charge in respect of previous periods	(18,243)	(163,554)
Deferred tax charge	6,835	60,490
Enhanced R&D relief	(64,811)	(79,954)
Losses carried forward	45,291	407,061
Provisions tax adjustment	1,814	-
Total tax (credit)/charge	<u>(34,044)</u>	<u>29,424</u>

9. 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.

10. INTANGIBLE FIXED ASSETS

Group

	Development costs £	Computer software £	Totals £
COST			
At 1 April 2019	106,223	72,672	178,895
Additions	-	39,737	39,737
At 31 March 2020	<u>106,223</u>	<u>112,409</u>	<u>218,632</u>
AMORTISATION			
At 1 April 2019	106,223	-	106,223
Amortisation for year	-	22,220	22,220
At 31 March 2020	<u>106,223</u>	<u>22,220</u>	<u>128,443</u>
NET BOOK VALUE			
At 31 March 2020	<u>-</u>	<u>90,189</u>	<u>90,189</u>
At 31 March 2019	<u>-</u>	<u>72,672</u>	<u>72,672</u>

CONSOLIDATED PLASTICS LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020**

11. TANGIBLE FIXED ASSETS

Group	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2019	400,976	4,646,286	67,612	45,313	5,160,187
Additions	6,558	26,089	667	-	33,314
	<u>407,534</u>	<u>4,672,375</u>	<u>68,279</u>	<u>45,313</u>	<u>5,193,501</u>
At 31 March 2020					
DEPRECIATION					
At 1 April 2019	67,314	1,346,778	37,896	45,313	1,497,301
Charge for year	40,779	292,143	9,372	-	342,294
	<u>108,093</u>	<u>1,638,921</u>	<u>47,268</u>	<u>45,313</u>	<u>1,839,595</u>
At 31 March 2020					
NET BOOK VALUE					
At 31 March 2020	<u>299,441</u>	<u>3,033,454</u>	<u>21,011</u>	-	<u>3,353,906</u>
At 31 March 2019	<u>333,662</u>	<u>3,299,508</u>	<u>29,716</u>	-	<u>3,662,886</u>

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

	Plant and machinery £
COST	
At 1 April 2019 and 31 March 2020	<u>1,583,359</u>
DEPRECIATION	
At 1 April 2019	210,009
Charge for year	106,756
	<u>316,765</u>
At 31 March 2020	
NET BOOK VALUE	
At 31 March 2020	<u>1,266,594</u>
At 31 March 2019	<u>1,373,350</u>

12. FIXED ASSET INVESTMENTS

Group	Shares in group undertakings £
COST	
At 1 April 2019 and 31 March 2020	<u>55,496</u>
NET BOOK VALUE	
At 31 March 2020	<u>55,496</u>
At 31 March 2019	<u>55,496</u>

CONSOLIDATED PLASTICS LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020**

12. FIXED ASSET INVESTMENTS - continued

Company

	Shares in group undertakings £
COST	
At 1 April 2019	209,507
Additions	4,582,746
Impairments	(200,000)
At 31 March 2020	<u>4,592,253</u>
NET BOOK VALUE	
At 31 March 2020	<u>4,592,253</u>
At 31 March 2019	<u>209,507</u>

13. STOCKS

	Group	
	2020 £	2019 £
Raw materials	374,713	344,019
Finished goods	101,213	102,597
	<u>475,926</u>	<u>446,616</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	1,792,451	1,828,500	-	-
Amounts owed by group undertakings	-	-	647	-
Other debtors	329,122	433,957	-	-
Directors' current accounts	90,888	90,888	-	-
Tax	60,044	138,424	-	-
VAT	-	-	1,835	-
Called up share capital not paid	4	4	-	-
Prepayments and accrued income	10,252	10,252	-	-
	<u>2,282,761</u>	<u>2,502,025</u>	<u>2,482</u>	<u>-</u>

15. CURRENT ASSET INVESTMENTS

	Group	
	2020 £	2019 £
Unlisted investments	-	774
	<u>-</u>	<u>774</u>

CONSOLIDATED PLASTICS LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts (see note 18)	24,378	73,244	-	-
Hire purchase contracts (see note 19)	200,000	200,000	-	-
Trade creditors	986,267	1,027,609	-	-
Amounts owed to group undertakings	-	-	391,460	3,455
Tax	241	11,620	-	-
Social security and other taxes	60,252	60,055	4,949	-
VAT	128,510	80,752	-	-
Other creditors	36,078	5,229	-	-
Accruals and deferred income	146,208	252,714	3,450	3,450
	<u>1,581,934</u>	<u>1,711,223</u>	<u>399,859</u>	<u>6,905</u>

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

	Group	
	2020	2019
	£	£
Hire purchase contracts (see note 19)	<u>283,333</u>	<u>483,333</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2020	2019
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>24,378</u>	<u>73,244</u>

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	200,000	200,000
Between one and five years	<u>283,333</u>	<u>483,333</u>
	<u>483,333</u>	<u>683,333</u>

Group

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	218,241	259,852
Between one and five years	815,271	832,432
In more than five years	<u>1,307,020</u>	<u>1,508,100</u>
	<u>2,340,532</u>	<u>2,600,384</u>

CONSOLIDATED PLASTICS LIMITED (GROUP)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020**

20. PROVISIONS FOR LIABILITIES

	Group	
	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	312,832	306,882
Deferred tax	(9,770)	(10,755)
	<u>303,062</u>	<u>296,127</u>
Group		Deferred tax
		£
Balance at 1 April 2019		296,127
Provided during year		<u>6,935</u>
Balance at 31 March 2020		<u><u>303,062</u></u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
194,502	Ordinary	1	<u>194,502</u>	<u>194,502</u>

22. 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.

Pension contributions outstanding included in other creditors at 31 March 2020 amounted to £11,574 (2019: £3,348).

23. 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.

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

At 31 March 2020, a directors loan account existed with a director of Halcyon Plastics Limited. The balance owing to the group at 31 March 2020 was £90,888 (2019: £90,888).

No compensation was paid to key management personnel during the year. However during the year ended 31 March 2019 a total of key management personnel compensation of £415,216 was paid.

24. 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.

CONSOLIDATED PLASTICS LIMITED (GROUP)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
For The Year Ended 31 March 2020

25. SHARE-BASED PAYMENT TRANSACTIONS

The company has a share option scheme for some employees. Exercise of the options are at the discretion of the Board or in relation to a future corporate qualifying event. These options protect the value these employees bring to the business and also protect the employees future careers. The options are settled from existing 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.

No charge was made to the profit and loss account in respect of these options, as the relevant conditions are not currently foreseen, in accordance with FRS 102.

Expiry date	Exercise price	2020	2019
	£	No	No
5 September 2029	1	15	-