

Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements
for the Year Ended 30 June 2019
for
Kingston Carton Company Limited

FRIDAY



A8Z9QGWI

A11

21/02/2020

#123

COMPANIES HOUSE

Contents of the Consolidated Financial Statements
for the Year Ended 30 June 2019

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Consolidated Income Statement	7
Consolidated Other Comprehensive Income	8
Consolidated Balance Sheet	9
Company Balance Sheet	10
Consolidated Statement of Changes in Equity	11
Company Statement of Changes in Equity	12
Consolidated Cash Flow Statement	13
Notes to the Consolidated Cash Flow Statement	14
Notes to the Consolidated Financial Statements	15

Kingston Carton Company Limited

Company Information
for the Year Ended 30 June 2019

DIRECTORS:

D W Wilson
A Buitendam

SECRETARY:

R Wilkinson

REGISTERED OFFICE:

Cumberland Street
Hull
East Yorkshire
HU2 0PS

REGISTERED NUMBER:

00146383 (England and Wales)

AUDITORS:

Norrie Gibson & Co Limited
Statutory Auditors,
Chartered Accountants,
Grosvenor House,
100-102, Beverley Road,
Hull.
HU3 1YA

Group Strategic Report
for the Year Ended 30 June 2019

The directors present their strategic report of the company and the group for the year ended 30 June 2019.

REVIEW OF BUSINESS

The company's strong values and principals underpin what we do within our business, this also strengthens our reputation with our customers, suppliers and staff, all of whom are critical to the performance of the business.

The directors are once again pleased to publish another strong set of results. Turnover increasing by just over 10% and an operating profit increase of 20%. Cash in hand and cash investments now amounting to some seven million pounds. The healthy strong balance sheet also give reassurance to our customers and suppliers that the company sits in a very low risk category.

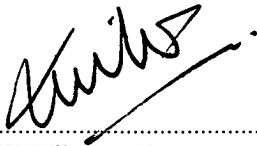
The directors and shareholders recognize the dedication and commitment of staff and colleagues who support the business and thank them for this continued support.

PRINCIPAL RISKS AND UNCERTAINTIES

The country still remains in a situation where no clear conclusion exists regarding the United Kingdom extracting itself from the European Union. Concern over European supply issues, delays caused by customs controls may impact on supply lead times. The company has identified the possible risks and have taken steps to mitigate known issues associated with the United Kingdom leaving the European Union. Inevitably there will be costs associated with a "deal or no deal" these unknown costs will have a bearing on price to customers. There has and will be resistance in being able to pass on these associated costs, where it is possible to impose these increases there is likely to be a transitional period before implementation.

Obtaining suitable levels of credit insurance cover on customers, particularly in the food sector exposes greater risk to the business, particularly where credit is withdrawn or reduced on existing customers. Caution has to be taken when considering new business on the abilities of those businesses to fulfil payment agreements.

ON BEHALF OF THE BOARD:



.....
D W Wilson - Director

Date: 14th October 2019

**Report of the Directors
for the Year Ended 30 June 2019**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2019.

PRINCIPAL ACTIVITY

Carton manufacturing, colour printing and designing.

DIVIDENDS

Interim dividends paid on equity shares totalled £0.41 (2018: £0.38). The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30th June 2019 will be £133,334

RESEARCH AND DEVELOPMENT

The company is committed to research and development activities principally in relation to product and process development, in order to secure its position as a leader in the carton industry

FUTURE DEVELOPMENTS

Future developments are described in the Strategic Report

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2018 to the date of this report.

D W Wilson
A Buitendam

POLITICAL DONATIONS AND EXPENDITURE

The company and its subsidiary undertakings made no contributions for political purposes in 2019 (2018: £nil)

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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

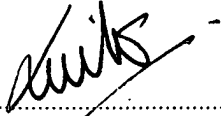
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant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

Report of the Directors
for the Year Ended 30 June 2019

AUDITORS

The auditors, Norrie Gibson & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
D W Wilson - Director

Date: 4th October 2019

**Report of the Independent Auditors to the Members of
Kingston Carton Company Limited**

Opinion

We have audited the financial statements of Kingston Carton Company Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2019 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 30 June 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

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 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
Kingston Carton Company 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. 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.



Martin Scutt (Senior Statutory Auditor)
for and on behalf of Norrie Gibson & Co Limited
Statutory Auditors,
Chartered Accountants,
Grosvenor House,
100-102, Beverley Road,
Hull.
HU3 1YA

Date: 7th October 2019

Kingston Carton Company Limited (Registered number: 00146383)

Consolidated Income Statement
for the Year Ended 30 June 2019

		2019		2018	
	Notes	£	£	£	£
TURNOVER			8,886,800		8,066,904
Cost of sales			6,119,966		5,649,231
GROSS PROFIT			2,766,834		2,417,673
Distribution costs		224,369		211,606	
Administrative expenses		1,537,135		1,372,163	
			1,761,504		1,583,769
			1,005,330		833,904
Other operating income			21,852		21,852
OPERATING PROFIT	4		1,027,182		855,756
Interest receivable and similar income			56,204		60,349
			1,083,386		916,105
Gain/loss on revaluation of investments			(188)		120,625
			1,083,198		1,036,730
Interest payable and similar expenses	5		86		1,799
PROFIT BEFORE TAXATION			1,083,112		1,034,931
Tax on profit	6		191,937		171,311
PROFIT FOR THE FINANCIAL YEAR			891,175		863,620
Profit attributable to: Owners of the parent			891,175		863,620

The notes form part of these financial statements

Consolidated Other Comprehensive Income
for the Year Ended 30 June 2019

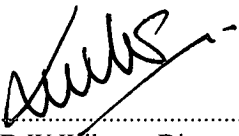
Notes	2019 £	2018 £
PROFIT FOR THE YEAR	891,175	863,620
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>891,175</u>	<u>863,620</u>
Total comprehensive income attributable to: Owners of the parent	<u>891,175</u>	<u>863,620</u>

Kingston Carton Company Limited (Registered number: 00146383)

Consolidated Balance Sheet
30 June 2019

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		3,836,125		4,175,032
Investments	10		-		-
			<u>3,836,125</u>		<u>4,175,032</u>
CURRENT ASSETS					
Stocks	11	1,504,788		1,275,270	
Debtors	12	1,428,062		1,716,992	
Investments	13	406,579		401,885	
Cash at bank and in hand		6,806,350		5,539,713	
		<u>10,145,779</u>		<u>8,933,860</u>	
CREDITORS					
Amounts falling due within one year	14	1,468,878		1,327,194	
			<u>8,676,901</u>		<u>7,606,666</u>
NET CURRENT ASSETS					
			<u>12,513,026</u>		<u>11,781,698</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
PROVISIONS FOR LIABILITIES	17		379,252		405,765
			<u>12,133,774</u>		<u>11,375,933</u>
NET ASSETS					
			<u>12,133,774</u>		<u>11,375,933</u>
CAPITAL AND RESERVES					
Called up share capital	18		325,205		325,205
Retained earnings	19		11,808,569		11,050,728
			<u>12,133,774</u>		<u>11,375,933</u>
SHAREHOLDERS' FUNDS					
			<u>12,133,774</u>		<u>11,375,933</u>

The financial statements were approved by the Board of Directors on 11th October 2019 and were signed on its behalf by:

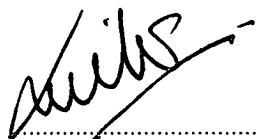

.....
D W Wilson - Director

Kingston Carton Company Limited (Registered number: 00146383)

Company Balance Sheet
30 June 2019

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		2,703,086		2,916,099
Investments	10		50,888		50,888
			<u>2,753,974</u>		<u>2,966,987</u>
CURRENT ASSETS					
Stocks	11	1,458,650		1,209,120	
Debtors	12	1,426,780		1,652,661	
Investments	13	406,579		401,885	
Cash at bank and in hand		6,669,361		5,416,503	
		<u>9,961,370</u>		<u>8,680,169</u>	
CREDITORS					
Amounts falling due within one year	14	3,449,166		2,932,499	
			<u>6,512,204</u>		<u>5,747,670</u>
NET CURRENT ASSETS					
			<u>6,512,204</u>		<u>5,747,670</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,266,178</u>		<u>8,714,657</u>
PROVISIONS FOR LIABILITIES	17		241,059		260,437
NET ASSETS			<u>9,025,119</u>		<u>8,454,220</u>
CAPITAL AND RESERVES					
Called up share capital	18		325,205		325,205
Retained earnings	19		8,699,914		8,129,015
SHAREHOLDERS' FUNDS			<u>9,025,119</u>		<u>8,454,220</u>
Company's profit for the financial year			<u>704,233</u>		<u>649,176</u>

The financial statements were approved by the Board of Directors on 4th October 2019 and were signed on its behalf by:



.....
D W Wilson - Director

Consolidated Statement of Changes in Equity
for the Year Ended 30 June 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2017	325,205	10,310,686	10,635,891
Changes in equity			
Dividends	-	(123,578)	(123,578)
Total comprehensive income	-	863,620	863,620
Balance at 30 June 2018	<u>325,205</u>	<u>11,050,728</u>	<u>11,375,933</u>
Changes in equity			
Dividends	-	(133,334)	(133,334)
Total comprehensive income	-	891,175	891,175
Balance at 30 June 2019	<u>325,205</u>	<u>11,808,569</u>	<u>12,133,774</u>

Company Statement of Changes in Equity
for the Year Ended 30 June 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2017	325,205	7,603,417	7,928,622
Changes in equity			
Dividends	-	(123,578)	(123,578)
Total comprehensive income	-	649,176	649,176
Balance at 30 June 2018	<u>325,205</u>	<u>8,129,015</u>	<u>8,454,220</u>
Changes in equity			
Dividends	-	(133,334)	(133,334)
Total comprehensive income	-	704,233	704,233
Balance at 30 June 2019	<u>325,205</u>	<u>8,699,914</u>	<u>9,025,119</u>

Consolidated Cash Flow Statement
for the Year Ended 30 June 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	1,520,802	1,080,661
Interest element of hire purchase payments paid		(86)	(1,799)
Tax paid		(170,446)	(195,368)
Net cash from operating activities		<u>1,350,270</u>	<u>883,494</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(12,688)	(79,280)
Sale of tangible fixed assets		-	76,354
Interest received		51,315	30,841
Net cash from investing activities		<u>38,627</u>	<u>27,915</u>
Cash flows from financing activities			
Capital repayments in year		(10,778)	(130,275)
Government grants		21,852	21,852
Equity dividends paid		(133,334)	(123,578)
Net cash from financing activities		<u>(122,260)</u>	<u>(232,001)</u>
Increase in cash and cash equivalents		<u>1,266,637</u>	<u>679,408</u>
Cash and cash equivalents at beginning of year	2	5,539,713	4,860,305
Cash and cash equivalents at end of year	2	<u><u>6,806,350</u></u>	<u><u>5,539,713</u></u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 June 2019

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

	2019	2018
	£	£
Profit before taxation	1,083,112	1,034,931
Depreciation charges	351,602	385,863
Profit on disposal of fixed assets	-	(15,355)
Loss/(gain) on revaluation of fixed assets	188	(120,625)
Government grants	(21,852)	(21,852)
Finance costs	86	1,799
Finance income	(56,204)	(60,349)
	<u>1,356,932</u>	<u>1,204,412</u>
Increase in stocks	(229,518)	(72,726)
Decrease/(increase) in trade and other debtors	288,930	(98,374)
Increase in trade and other creditors	104,458	47,349
	<u>1,520,802</u>	<u>1,080,661</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 30 June 2019

	30.6.19	1.7.18
	£	£
Cash and cash equivalents	<u>6,806,350</u>	<u>5,539,713</u>

Year ended 30 June 2018

	30.6.18	1.7.17
	£	£
Cash and cash equivalents	<u>5,539,713</u>	<u>4,860,305</u>

Notes to the Consolidated Financial Statements
for the Year Ended 30 June 2019

1. **STATUTORY INFORMATION**

Kingston Carton Company 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.

Related party exemption

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.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax after trade discounts, of goods sold and services provided to external customers.

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.

Freehold property	- 2% on cost
Plant and machinery	- 10% on reducing balance
Motor vehicles	- 20% on reducing balance and 10% on cost

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

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.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

2. **ACCOUNTING POLICIES - continued**

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.

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.

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.

Government grants

Grants related to purchase of assets are treated as deferred income and allocated to income statement over the useful lives of the related assets while grants related to expenses are treated as other income in the income statement.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investment in nonconvertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss

3. **EMPLOYEES AND DIRECTORS**

	2019	2018
	£	£
Wages and salaries	2,110,324	1,902,551
Social security costs	211,530	197,114
Other pension costs	125,654	117,271
	<u>2,447,508</u>	<u>2,216,936</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

3. EMPLOYEES AND DIRECTORS - continued

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

	2019	2018
Production	40	42
Administrative	12	12
Management	9	9
	<u>61</u>	<u>63</u>

	2019	2018
	£	£
Directors' remuneration	<u>499,049</u>	<u>379,416</u>

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

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2019	2018
	£	£
Emoluments etc	<u>268,693</u>	<u>211,278</u>

4. OPERATING PROFIT

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

	2019	2018
	£	£
Depreciation - owned assets	351,595	376,866
Depreciation - assets on hire purchase contracts	-	8,997
Profit on disposal of fixed assets	-	(15,355)
Auditors' remuneration	6,806	7,356
Other non- audit services	4,580	4,580
Foreign exchange differences	-	4,949
	<u> </u>	<u> </u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Hire purchase	<u>86</u>	<u>1,799</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

6. TAXATION

Analysis of the tax charge

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

	2019	2018
	£	£
Current tax:		
UK corporation tax	218,450	170,454
Deferred tax	<u>(26,513)</u>	<u>857</u>
Tax on profit	<u>191,937</u>	<u>171,311</u>

Reconciliation of total tax 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:

	2019	2018
	£	£
Profit before tax	<u>1,083,112</u>	<u>1,034,931</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	205,791	196,637
Effects of:		
Expenses not deductible for tax purposes	963	718
Depreciation in excess of capital allowances	36,473	22,272
R&D enhanced claim	(24,813)	(26,254)
Asset fair value revaluation	36	(22,919)
Deferred taxation	<u>(26,513)</u>	<u>857</u>
Total tax charge	<u>191,937</u>	<u>171,311</u>

7. 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.

8. DIVIDENDS

	2019	2018
	£	£
Ordinary shares of £1 each		
Interim	<u>133,334</u>	<u>123,578</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

9. TANGIBLE FIXED ASSETS

Group	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 July 2018	1,909,032	6,741,542	594,410	9,244,984
Additions	12,688	-	-	12,688
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2019	1,921,720	6,741,542	594,410	9,257,672
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 July 2018	567,640	4,234,790	267,522	5,069,952
Charge for year	37,236	254,455	59,904	351,595
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2019	604,876	4,489,245	327,426	5,421,547
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 30 June 2019	1,316,844	2,252,297	266,984	3,836,125
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 June 2018	1,341,392	2,506,752	326,888	4,175,032
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	Motor vehicles £
COST	
At 1 July 2018	89,965
Transfer to ownership	(89,965)
	<hr/>
At 30 June 2019	-
	<hr/>
DEPRECIATION	
At 1 July 2018	35,988
Transfer to ownership	(35,988)
	<hr/>
At 30 June 2019	-
	<hr/>
NET BOOK VALUE	
At 30 June 2019	-
	<hr/> <hr/>
At 30 June 2018	53,977
	<hr/> <hr/>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

9. **TANGIBLE FIXED ASSETS - continued**

Company	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 July 2018	1,909,032	3,491,737	594,410	5,995,179
Additions	12,688	-	-	12,688
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2019	1,921,720	3,491,737	594,410	6,007,867
DEPRECIATION				
At 1 July 2018	567,640	2,243,918	267,522	3,079,080
Charge for year	37,236	128,561	59,904	225,701
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2019	604,876	2,372,479	327,426	3,304,781
NET BOOK VALUE				
At 30 June 2019	<u>1,316,844</u>	<u>1,119,258</u>	<u>266,984</u>	<u>2,703,086</u>
At 30 June 2018	<u>1,341,392</u>	<u>1,247,819</u>	<u>326,888</u>	<u>2,916,099</u>

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

	Motor vehicles £
COST	
At 1 July 2018	89,965
Transfer to ownership	(89,965)
	<hr/>
At 30 June 2019	-
DEPRECIATION	
At 1 July 2018	35,988
Transfer to ownership	(35,988)
	<hr/>
At 30 June 2019	-
NET BOOK VALUE	
At 30 June 2019	<hr/> <hr/> -
At 30 June 2018	<hr/> <hr/> 53,977

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2018 and 30 June 2019	<u>50,888</u>
NET BOOK VALUE	
At 30 June 2019	<u><u>50,888</u></u>
At 30 June 2018	<u><u>50,888</u></u>

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

Subsidiary

Hull Premier Printing Company Limited

Registered office: Cumberland Street, Hull, East Yorkshire, HU2 0PS

Nature of business: Printers

	%		
Class of shares:	holding		
Ordinary	100.00		
		2019	2018
		£	£
Aggregate capital and reserves		3,159,544	2,972,602
Profit for the year		186,942	214,445

11. STOCKS

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Raw materials	61,323	78,260	21,652	12,110
Work-in-progress	176,676	239,692	170,209	239,692
Finished goods	1,266,789	957,318	1,266,789	957,318
	<u>1,504,788</u>	<u>1,275,270</u>	<u>1,458,650</u>	<u>1,209,120</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	1,326,280	1,561,474	1,326,280	1,497,471
Other debtors	100	291	63	291
Prepayments and accrued income	101,682	155,227	100,437	154,899
	<u>1,428,062</u>	<u>1,716,992</u>	<u>1,426,780</u>	<u>1,652,661</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

13. CURRENT ASSET INVESTMENTS

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Listed investments	<u>406,579</u>	<u>401,885</u>	<u>406,579</u>	<u>401,885</u>

Market value of listed investments at 30 June 2019 held by the group and the company - £406,579

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Hire purchase contracts (see note 15)	-	10,778	-	10,778
Trade creditors	238,335	295,675	186,980	262,319
Amounts owed to group undertakings	-	-	2,092,464	1,723,872
Corporation tax	218,466	170,462	167,474	115,918
Social security and other taxes	113,059	80,590	104,996	73,532
VAT	318,918	300,891	338,405	300,286
Other creditors	369,959	243,409	369,959	243,409
Accruals and deferred income	210,141	225,389	188,888	202,385
	<u>1,468,878</u>	<u>1,327,194</u>	<u>3,449,166</u>	<u>2,932,499</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Hire purchase contracts	
	2019	2018
	£	£
Gross obligations repayable:		
Within one year	-	10,861
Finance charges repayable:		
Within one year	-	83
Net obligations repayable:		
Within one year	<u>-</u>	<u>10,778</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

15. LEASING AGREEMENTS - continued

Company

	Hire purchase contracts	
	2019	2018
	£	£
Gross obligations repayable:		
Within one year	-	10,861
Finance charges repayable:		
Within one year	-	83
Net obligations repayable:		
Within one year	-	10,778

16. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Hire purchase contracts	-	10,778	-	10,778

17. PROVISIONS FOR LIABILITIES

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Deferred tax	379,252	405,765	241,059	260,437
Group				Deferred tax
				£
Balance at 1 July 2018				405,765
Credit to Income Statement during year				(26,513)
Balance at 30 June 2019				379,252
Company				Deferred tax
				£
Balance at 1 July 2018				260,437
Credit to Income Statement during year				(19,378)
Balance at 30 June 2019				241,059

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2019

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019	2018
			£	£
325,205	Ordinary	£1	<u>325,205</u>	<u>325,205</u>

19. RESERVES

Group

	Retained earnings £
At 1 July 2018	11,050,728
Profit for the year	891,175
Dividends	(133,334)
	<hr/>
At 30 June 2019	<u>11,808,569</u>

Company

	Retained earnings £
At 1 July 2018	8,129,015
Profit for the year	704,233
Dividends	(133,334)
	<hr/>
At 30 June 2019	<u>8,699,914</u>

20. PENSION COMMITMENTS

Of the contributions charged to the profit and loss account for the year £12,637 (2018 £9,978) was outstanding at the year end.

21. RELATED PARTY DISCLOSURES

During the year, total dividends of £51,738 (2018 - £47,953) were paid to the directors.

During the year, a total of key management personnel compensation of £499,049 (2018 - £379,416) was paid.