Bridgnorth Aluminium Limited

Annual report and financial statements

Registered number 4155640

For the year ended 31 December 2018

Contents

Strategic report

In 2018 the demand conditions in the aluminium flat rolled products industry were generally good, with market growth of above 3% in both Europe and North America.

2018 was also a year of considerable political influence on the industry which the company had to contend with: The USA government introduced Section 232 tariffs against imports of steel and aluminium which affected our customers in the USA significantly, until they were able to achieve exemptions at a later date. The negotiations for Brexit also caused uncertainty for the company during 2018, and this uncertainty continues at the time of writing.

Despite the above, the company was able to increase total sales volumes by 18%, and established a new record. Further to the capital expenditure programme carried out in previous years, the company was able to gain market share in the lithographic segment. Sales volumes to the foil packaging industry were reduced, partly due to bad debt experiences in the previous year. New customer relationships were started in the USA.

The company's key financial performance indicators during the year were as follows:

	2018 £000	2017 restated £000	% Change
Turnover	**254,651**	196,244	+30%
Gross profit	**17,785**	9,919	+79%
Operating profit	**8,507**	1,906	+346%
Profit after tax	**7,477**	3,146	+138%
EBITDA	**15,853**	9,352	+70%
Shareholders' funds	**92,587**	85,110	+9%
Net debt/EBITDA	**1.8**	3.1	-42%

Turnover increased by 30% as a result of higher sales volumes and a higher metal price during the year. Sales volumes increased by 18%. The gross profit margin increased from 5.1% to 7.0%. The operating profit margin also increased from 1.0% to 3.3%.

The company continued to closely monitor and control working capital (inventory, trade debtors and trade creditors) during 2018, working capital as a percentage of sales decreased from 24% to 22% as a result of higher creditors, partly offset by higher debtors and higher inventory.

The level of shareholders' funds increased by 9% during the year due to an increase in retained earnings.

Prior year adjustments

During the year, the Company reviewed its accounting for hedging relationships in respect to the purchases of aluminium and determined that the conditions for hedge accounting had not been met as explained in note 23.

The Company has continued to enter into economic hedging arrangements to protect the commercial position.

Principal risks and uncertainties

Metal price risks

The company sells finished products and buys aluminium raw materials priced on the London Metal Exchange ("LME"). The company has, together with its parent, developed hedging procedures designed to manage the risk of metal price volatility on the LME.

Foreign exchange risks

The company has a high percentage of sales and purchases in currencies other than GBP. The company has a policy of forward selling or purchasing the known net currency exposures for sales and purchase contracts, so as to protect the business from margin erosion after contract commitments have been agreed.

Strategic report *(continued)*

Principal risks and uncertainties *(continued)*

Interest rate risks

The company is exposed to interest rate movements. Interest rate swaps may be used by the company to adjust interest rate exposures in order to guarantee fixed interest payments where payments are variable, hence reducing exposure to interest rate movements. There are currently no interest rate swaps in place.

Credit risk

The company has a credit review mechanism which allows deferred payment terms to certain customers with good historic payment records. In addition, the company seeks to further minimise credit risk by taking out credit insurance policies covering credit risks with customers.

Price risk

The company's exposure to the risk of the two elements of its selling price, metal and conversion, are managed by the use of LME futures for the metal price and forward sales contracts for the conversion price.

Liquidity risk

Long term debt, receivables, inventory and overdraft facilities are used by the company to manage liquidity risk. The company also aims to reduce liquidity risk by managing working capital, investments and operations within strict target levels.

Cash flow risk

The company manages cash flow risk, where significant, by the use of derivatives as explained above.

Future developments

The outlook for the company is challenging: the lack of certainty surrounding Brexit is affecting demand from customers, and trading conditions in the lithographic segment are under pressure due to low priced competition for our customers' products from China.

The wider economic and geo-political outlook remains uncertain, and the company is exposed to the effects of trade agreements and tariff structures following the UK's vote to leave the EU, and to tariffs imposed by the USA on imports of aluminium into the USA. Both of these issues could affect trading conditions for the company.

By order of the board

M Richards
Secretary

14 November 2019

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2018.

Principal activities

The company is a 75% owned subsidiary of Viohalco SA, a company registered in Belgium. The company is also 25% owned by UACJ Corporation, a company registered in Japan.

The company continues to manufacture aluminium coils for the lithographic printing industry, as well as other aluminium flat rolled products, including foilstock coils for the foil rolling industry.

Going concern

The directors consider that the company has adequate resources to continue in operation for the foreseeable future. In forming this view, the directors have reviewed budgets and other financial information. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Creditor payment policy and practice

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with. At 31 December 2018, the company had an average of 39 days *(2017: 40 days)* purchases outstanding in trade creditors.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

During the year, the policy of providing employees with information about the company has continued, employees are encouraged to present their suggestions and views on the company's performance. Regular meetings are held between management and employees to allow free flow of information and ideas.

Results

The profit and loss account is set out on page 9 and shows a profit for the financial year of £7,477,000 *(2017 restated: £3,853,000)*.

Dividends

No dividend was paid during the year *(2017: £Nil)*. The directors do not recommend the payment of a final dividend *(2017: £Nil)*.

Directors

The directors who held office during the year and subsequently were as follows:

D Peden (Chairman)
A Angelopoulos
J Attas
C Catsaros
S MacVicker
T Nakano
N Tokizane
L Varouchas

Directors' report *(continued)*

Charitable contributions

The company made charitable donations of £2,970 during the year *(2017: £3,778)*.

Directors' liabilities

The company has granted an indemnity to one or more directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

M Richards
Secretary

Stourbridge Road
Bridgnorth
Shropshire
WV15 6AU

14 November 2019

Statement of directors' responsibilities in respect of the Strategic report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework.*

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 of the profit or loss of the company 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIDGNORTH ALUMINIUM LIMITED

Opinion

We have audited the financial statements of Bridgnorth Aluminium Limited ("the company") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardized firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Independent auditor's report to the members of Bridgnorth Aluminium Limited
(continued)

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report to the members of Bridgnorth Aluminium Limited
(continued)

The purpose of our audit work and to whom we owe our responsibilities

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

Stuart Wood (Senior Statutory Auditor)

14 November 2019

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snowhill Queensway
Birmingham
B4 6GH

Profit and loss account and other comprehensive income
for the year ended 31 December 2018

In these financial statements, the company restated comparative figures. The details are disclosed in note 23.

	Note	**2018** **£000**	2017 restated £000
Turnover	*2*	**254,651**	196,244
Cost of sales		**(236,866)**	(186,325)
Gross profit		**17,785**	9,919
Distribution costs		**(6,749)**	(4,388)
Administrative expenses		**(3,204)**	(3,350)
Other operating income / (expenses)		**675**	(275)
Operating profit	*3*	**8,507**	1,906
Interest receivable and similar income	*6*	**2,877**	3,218
Interest payable and similar charges	*7*	**(2,098)**	(1,100)
Profit before taxation		**9,286**	4,024
Tax on profit	*8*	**(1,809)**	(878)
Profit for the financial year		**7,477**	3,146
Other comprehensive income		-	-
Comprehensive income for the year		**7,477**	3,146

Balance sheet
at 31 December 2018

In these financial statements, the company restated comparative figures. The details are disclosed in note 23.

	Note	2018 £000	2018 £000	2017 restated £000	2017 restated £000
Fixed assets					
Tangible assets	9		**69,960**		75,103
Current assets					
Stocks	10	**50,344**		49,228	
Debtors	11	**35,907**		20,115	
Cash at bank and in hand	12	**1,414**		202	
Derivative financial instruments	18	**2,464**		995	
		90,129		70,540	
Current liabilities					
Creditors: amounts falling due within one year	13	**(58,291)**		(44,734)	
Derivative financial instruments	18	**(4,699)**		(5,004)	
Net current assets			**27,139**		20,802
Total assets less current liabilities			**97,099**		95,905
Non-current liabilities					
Creditors: amounts falling due after more than one year	14	**-**		(7,000)	
Derivative financial instruments	18	**-**		(1,091)	
			-		(8,091)
Provisions for liabilities					
Deferred tax liability	17	**(3,512)**		(1,704)	
Other provisions	16	**(1,000)**		(1,000)	
			(4,512)		(2,704)
Net assets			**92,587**		85,110
Capital and reserves					
Called up share capital	19		**29,333**		29,333
Share premium account			**6,667**		6,667
Profit and loss account			**56,587**		49,110
Equity shareholders' funds			**92,587**		85,110

The notes on pages 12 to 31 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 14 November 2019 and were signed on its behalf by:

Derek Peden
Director
Company registered number: 04155640

Statement of Changes in Equity

In these financial statements, the company restated comparative figures. The details are disclosed in note 23.

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2017 restated	29,333	6,667	45,964	81,257
Total comprehensive income for the period				
Profit or loss	-	-	3,146	3,853
Balance at 31 December 2017 restated	29,333	6,667	49,110	85,110
Balance at 1 January 2018	29,333	6,667	49,110	85,110
Total comprehensive income for the period				
Profit or loss	-	-	7,477	7,477
Balance at 31 December 2018	**29,333**	**6,667**	**56,587**	**92,587**

Notes

(forming part of the financial statements)

1 Accounting policies

Bridgnorth Aluminium Limited (the "Company") is a company incorporated and domiciled in the UK. The registered number is 4155640 and registered address is Stourbridge Road, Bridgnorth, Shropshire WV15 6AU.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework ("FRS 101")*.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Viohalco SA includes the Company in its consolidated financial statements. The consolidated financial statements of Viohalco SA are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the offices of Viohalco SA which are located at 30 Avenue Marnix, 1000 Brussels, Belgium.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosures in respect of capital management; and

As the consolidated financial statements of Viohalco SA include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

IFRS 9 Financial Instruments was applicable from 1 January 2018, this required financial assets to be assessed under an impairment model and impaired if required. The impact of this change in standard was assessed in 2017 and calculated to be immaterial, therefore is no prior year adjustment for 2017. In 2018, there was an impairment provision calculated and recognised in the financial statements. This impairment value for the financial year was £36,226 *(2017: £0)*.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial instruments classified as fair value through the profit or loss.

1.2 Going concern

The directors consider that the company has adequate resources to continue in operation for the foreseeable future. In forming this view, the directors have reviewed budgets and other financial information. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Notes *(continued)*

1 Accounting policies *(continued)*

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account except for differences arising on the retranslation of qualifying cash flow hedges, which are recognised in other comprehensive income.

1.4 Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Notes *(continued)*

1 Accounting policies *(continued)*

1.6 Derivative financial instruments and hedging

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

IFRS 9 Financial Instruments

As of 1 January 2018 IFRS 9 Financial Instruments was applicable. This new standard addresses the classification, measurement and derecognition of financial assets and liabilities, and introduces new hedge accounting rules.

Viohalco has undertaken thorough discussions with consultants and group auditors on behalf of the group and have decided not to adopt the hedge accounting paragraphs of IFRS 9 and to stay with IAS 39. This was an accounting policy choice which the Company is also adopting, when appropriate.

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the profit and loss account.

When the forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated cumulative gain or loss remains in the hedging reserve and is reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss, i.e. when a non-financial asset is depreciated.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains and losses that were recognised directly in equity are reclassified into profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss, i.e. when interest income or expense is recognised.

For cash flow hedges, other than those covered by the preceding two policy statements, the associated cumulative gain or loss is removed from equity and recognised in the profit and loss account in the same period or periods during which the hedged forecast transaction affects profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the profit and loss account immediately.

Fair value hedges

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in the profit and loss account. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the profit and loss account (even if those gains would normally be recognised directly in reserves).

On the discontinuance of hedge accounting, any adjustment made to the carrying amount of the hedged item as a consequence of the fair value hedge relationship, is recognised in the profit and loss account over the remaining life of the hedged item.

Notes *(continued)*

1 Accounting policies *(continued)*

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

- buildings between 5 and 30 years
- plant and equipment between 3 and 20 years
- motor vehicles between 2 and 5 years

No depreciation is provided on freehold land and assets in course of construction.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.8 Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

1.9 Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value as follows:

Raw materials, consumables and goods for resale	- purchase cost on an average cost basis
Work in progress and finished goods	- cost of direct materials and labour plus attributable overheads based on a normal level of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

1.10 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes *(continued)*

1 Accounting policies *(continued)*

1.10 Impairment excluding stocks and deferred tax assets (continued)

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.11 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.12 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.13 Turnover

IFRS 15 Revenue from Contracts with Customers was applicable from 1 January 2018. The impact of this change in standard was assessed and there was no effect on the 2018 or 2017 accounts.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. Revenue recognised at a point in time is invoiced either simultaneously with its recognition or within a short time period from its recognition. A receivable is recognised when the control is transferred to the customer, as this represents the point in time at which the right to consideration becomes unconditional. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the control of the goods sold has been transferred. The timing of the transfer of control usually occurs when the goods have been shipped to the customers' location, unless otherwise specified in the terms of the contract. The terms defined on the contracts with customers are according to Incoterms.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Notes *(continued)*

1 Accounting policies *(continued)*

1.14 Expenses

Operating lease payments

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

1.15 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.16 Adopted IFRS not yet applied

The following adopted IFRS has been issued but has not been applied in these financial statements. Its adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

IFRS 16 (effective date 1 January 2019)

This new standard sets out the principals for the recognition, measurement, presentation and disclosure of leases for both the lessor and the lessee. For lessees, IFRS 16 eliminates the classification of leases as either operating or finance leases and introduces a single lessee accounting model with some exemptions for short term and low value leases. The lessee recognises a right-of-use asset, representing its right to use the underlying asset, and a lease liability representing its obligation to make lease payments.

The Company does not act as a lessor, so will only be effected by the change in treatment of its operating leases. In the 2019 financial statements there will be the recognition of additional assets and liabilities.

The Company's non-cancellable operating lease commitments on an undiscounted basis at 31 December 2018 are £274k, which is made up of vehicle and office machinery leases. The actual impact of applying IFRS 16 will depend on a number of factors including the discount rates used for each lease calculated as at 1 January 2019, the expected lease termand any exemptions for short-term and low-value leases.

Notes *(continued)*

2 Turnover

Turnover is the total amount charged, exclusive of VAT, in respect of goods and services supplied by the company. All turnover arises in the UK and is attributable to the company's continuing activity, the manufacture of rolled aluminium products.

	2018 £000	2017 £000
Sale of goods	**254,651**	196,244

By activity:

	2018 £000	2017 £000
Lithographic	**199,740**	120,643
Packaging	**35,409**	60,332
Automotive and electrical	**19,502**	15,269
	254,651	196,244

By geographical market is given below:

	2018 £000	2017 £000
United Kingdom	**22,705**	5,052
Continental Europe	**151,874**	142,373
Americas	**60,205**	25,086
Asia, Middle East and Africa	**19,867**	23,733
	254,651	196,244

3 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2018 £000	2017 £000
Depreciation and other amounts written off tangible fixed assets	**7,346**	7,446
Operating lease rentals:		
Other operating leases	**138**	69
Research and development	**633**	80
Auditors' remuneration		
Audit of these financial statements	**33**	35

Notes *(continued)*

4 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2018	2017
Production	**362**	336
Sales	**8**	8
Administration	**33**	29
	403	373

The aggregate payroll costs of these persons were as follows:

	£000	£000
Wages and salaries	**14,999**	13,619
Social security costs	**1,485**	1,411
Other pension costs	**568**	519
	17,052	15,549

5 Remuneration of directors

	2018 **£000**	2017 £000
Directors' emoluments	**451**	463
Company contributions to defined contribution personal pension plans	**16**	14
In respect of the highest paid director		
Emoluments	**219**	228
Company contributions to defined contribution personal pension plans	**10**	10

Notes *(continued)*

6 Interest receivable and similar income

	2018 £000	2017 restated £000
Bank interest receivable	**16**	2
Revaluation of foreign currency loans	**-**	46
Revaluation of foreign exchange contracts	**2,861**	3,170
	2,877	3,218

7 Interest payable and similar charges

	2018 £000	2017 £000
Bank interest payable	**1,528**	1,100
Revaluation of foreign currency loans	**570**	-
	2,098	1,100

Notes *(continued)*

8 Taxation

Recognised in profit and loss account

	2018 £000	£000	2017 restated £000	£000
UK corporation tax				
Current tax on profits for the year	-		-	
Adjustments in respect of previous periods	1		288	
		1		288
Deferred tax				
Current year	1,954		766	
Adjustments in respect of previous periods	17		(3)	
Effect of changes in tax rates	(163)		(173)	
Total deferred tax		1,808		590
Tax charge / (credit) on profit on ordinary activities		1,809		878

Reconciliation of effective tax rate

	2018 £000	2017 restated £000
Current tax reconciliation		
Profit for the year	7,477	3,146
Total tax expense / (credit)	1,809	878
Profit excluding taxation	9,286	4,024
Current tax at 19% *(2017: 19.25%)*	1,764	774
Expenses not deductible for tax purposes	189	182
Income not taxable	-	(98)
Tax rate changes	(163)	(265)
Adjustments in respect of previous years	19	285
Total current tax charge / (credit) (see above)	1,809	878

Factors that may affect future current and total tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2018 has been calculated based on these rates.

Notes *(continued)*

9 Tangible fixed assets

	Land and buildings	Plant and machinery	Motor vehicles	Assets in course of construction	Total
	£000	£000	£000	£000	£000
Cost					
At beginning of year	15,394	141,015	2,551	509	159,469
Additions	-	-	-	2,205	2,205
Disposals	-	-	(19)	-	(19)
Transfer of assets	331	1,445	265	(2,041)	-
At end of year	15,725	142,460	2,797	673	161,655
Depreciation					
At beginning of year	4,542	77,702	2,122	-	84,366
Charge for year	612	6,523	211	-	7,346
Disposals	-	-	(17)	-	(17)
At end of year	5,154	84,225	2,316	-	91,695
Net book value					
At 31 December 2018	**10,571**	**58,235**	**481**	**673**	**69,960**
At 31 December 2017	10,852	63,313	429	509	75,103

Included within land and buildings is £2,013,746 *(2017: £2,013,746)* of freehold land which is not depreciated. The remaining net book value is in respect of buildings constructed on the company's freehold premises.

10 Stocks

	2018	2017 restated
	£000	£000
Raw materials	**21,397**	20,345
Work in progress	**10,477**	11,419
Finished goods	**18,470**	17,464
	50,344	49,228

The difference between purchase price or production cost of stocks and their replacement cost is not material. The movement of raw materials, consumables, work in progress and finished goods is £191,230,050 *(2017: £138,253,231)* and is included within cost of sales. The write-down of spare parts and consumables is £615,021 *(2017: (£24,914))*.

Notes *(continued)*

11 Debtors

	2018 £000	2017 £000
Trade debtors	**30,720**	18,022
Other debtors	**4,088**	1,420
Amounts owed from group undertakings	**-**	1
Prepayments and accrued income	**723**	449
Corporation tax	**376**	223
	35,907	20,115

12 Cash and cash equivalents/bank overdrafts

	2018 £000	2017 £000
Cash at bank and in hand	**1,414**	202
Cash and cash equivalents	**1,414**	202

13 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Bank loans and overdrafts (secured see note 15)	**29,961**	21,872
Trade creditors	**25,506**	20,067
Amounts owed to group undertakings	**103**	105
Other taxation and social security	**482**	483
Accruals and deferred income	**2,239**	2,207
	58,291	44,734

14 Creditors: amounts falling due after more than one year

	2018 £000	2017 £000
Bank loans and overdrafts (secured see note 15)	**-**	7,000

Notes *(continued)*

15 Interest bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest bearing loans and borrowings which are measured at amortised cost.

Creditors falling due more than one year		
Secured bank loans	-	7,000
Creditors falling due within less than one year		
Secured bank loans	**7,000**	4,000

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Face value 2018 £000	Carrying amount 2018 £000	Face value 2017 £000	Carrying amount 2017 £000
Term loan	**GBP**	**2.41%**	**2019**	**7,000**	**7,000**	11,000	11,000
Overdraft	**GBP**	**1.50%**	**Repayable on demand**	-	-	-	-
Receivables facility	**EUR**	**1.25%**	**Repayable on demand**	**5,415**	**5,415**	5,729	5,729
Receivables facility	**USD**	**3.75%**	**Repayable on demand**	**9,435**	**9,435**	2,403	2,403
Inventory facility	**GBP**	**2.25%**	**Repayable on demand**	**8,111**	**8,111**	9,740	9,740
				29,961	**29,961**	**28,872**	**28,872**

The bank loans and overdrafts are secured against certain land and buildings owned by the Company, the receivables facility is secured against certain trade debtor balances and the inventory facility is secured against certain inventory balances.

16 Provisions for liabilities

	Environmental provision £000
At beginning and end of year	**1,000**

The environmental provision of £1 million relates to the ongoing monitoring and clean up costs of complying with the requirements agreed with the Environment Agency for the land in Bridgnorth. The provision is expected to be utilised over a period of 10 years.

Notes *(continued)*

17 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2018 £000	2017 restated £000	Liabilities 2018 £000	2017 restated £000	Net 2018 £000	2017 restated £000
Tangible fixed assets	-	-	(3,655)	(3,427)	(3,655)	(3,427)
Financial assets	-	531	(288)	-	(288)	531
Tax losses	431	789	-	-	431	789
Temporary trading differences	-	403	-	-	-	403
Tax assets/ (liabilities)	431	1,723	(3,943)	(3,427)	(3,512)	(1,704)
Set off tax	(431)	(1,723)	431	1,723	-	-
Net tax liabilities	-	-	(3,512)	(1,704)	(3,512)	(1,704)

Movement in deferred tax during the year

	1 January 2018 £000	Recognised in income £000	Recognised in equity £000	31 December 2018 £000
Tangible fixed assets	(3,427)	(228)	-	(3,655)
Financial assets	531	(819)	-	(288)
Tax losses	789	(358)	-	431
Temporary trading differences	403	(403)	-	-
	(1,704)	(1,808)	-	(3,512)

Movement in deferred tax during the prior year

	1 January 2017 restated £000	Recognised in income restated £000	Recognised in equity restated £000	31 December 2017 restated £000
Tangible fixed assets	(2,534)	(893)	-	(3,427)
Financial assets	1,247	(716)	-	531
Tax losses	-	789	-	789
Temporary trading differences	173	230	-	403
	(1,114)	(590)	-	(1,704)

Notes *(continued)*

18 Derivative financial instruments

The fair values of all financial assets and financial liabilities by class shown in the balance sheet are as follows:

	Fair value 2018 £000	Fair value 2017 £000
IAS 39 categories of financial instruments		
Financial assets designated as fair value through profit or loss swaps		
Foreign exchange – short term	**40**	-
London metal exchange futures – short term	**2,424**	995
Total financial assets at fair value through profit or loss	**2,464**	995

For each class of derivatives, include a description of the extent and nature of the instruments, including significant terms and conditions that may affect the amount, timing, and certainty of future cash flows.

Fair values of financial instruments

	Fair value 2018 £000	Fair value 2017 £000
Financial liabilities designated as fair value through profit or loss		
Foreign exchange swaps – long term	-	1,091
Foreign exchange swaps – short term	**1,300**	3,031
London Metal exchange futures – short term	**3,399**	1,972
Total financial liabilities at fair value through profit or loss	**4,699**	6,094

For each class of derivatives, include a description of the extent and nature of the instruments, including significant terms and conditions that may affect the amount, timing, and certainty of future cash flows.

Notes *(continued)*

18 Derivative financial instruments *(continued)*

Cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur:

	2018				2017			
	Carrying amount £000	**Expected cash flows £000**	**1 year or less £000**	**1 to <2years £000**	Carrying amount £000	Expected cash flows £000	1 year or less £000	1 to <2years £000
Forward exchange contracts:								
Assets	**40**	**7,000**	**7,000**	**-**	-	-	-	-
Liabilities	**(1,300)**	**13,139**	**13,139**	**-**	(4,122)	(64,103)	(53,327)	(10,776)
London Metal exchange contracts								
Assets	**454**	**9,607**	**9,607**	**-**	995	7,006	7,006	-
Liabilities	**(3,399)**	**(33,687)**	**(33,687)**	**-**	-	-	-	
	(4,205)	**(3,941)**	**(3,941)**	**-**	(3,127)	(57,097)	(46,321)	(10,776)

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to affect profit or loss:

	2018				2017			
	Carrying amount £000	**Expected cash flows £000**	**1 year or less £000**	**1 to <2years £000**	Carrying amount £000	Expected cash flows £000	1 year or less £000	1 to <2years £000
Forward exchange contracts:								
Assets	**40**	**7,000**	**7,000**	**-**	-	-	-	-
Liabilities	**(1,300)**	**13,139**	**13,139**	**-**	(4,122)	(64,103)	(53,327)	(10,776)
London Metal exchange contracts								
Assets	**454**	**9,607**	**9,607**	**-**	995	7,006	7,006	-
Liabilities	**(3,399)**	**(33,687)**	**(33,687)**	**-**	-	-	-	-
	(4,205)	**(3,941)**	**(3,941)**	**-**	(3,127)	(57,097)	(46,321)	(10,776)

19 Called up share capital

	2018 £000	2017 £000
Allotted, called up and fully paid		
Ordinary shares of £1 each	**29,333**	29,333

Notes *(continued)*

20 Commitments

At 31 December 2018, the company had commitments under non-cancellable operating leases as follows:

	2018 £000	2017 £000
Operating leases which expire:		
Within one year	**83**	99
In one to two years	**75**	91
In two to five years	**116**	177
	274	367

Amounts contracted for but not provided in the financial statements amounted to £1,258,647 *(2017: £1,495,106)*.

21 Related party disclosures

During the year, the company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 December 2018, are as follows:

	2018 £000	2017 £000
Sales to related party		
ElvalHalcor Hellenic Copper and Aluminium Industry S.A	**550**	-
Symetal	**40**	-
Elval Colour SA	-	24
Hellenic Cables	-	4
Sofia Med	-	3
Purchases from related party		
ElvalHalcor Hellenic Copper and Aluminium Industry S.A	**142**	65
Metalign	**111**	90
Teka Systems SA	**61**	47
Elkeme SA	**58**	47
Viexal Limited	**19**	13
UACJ Corporation	**12**	14
Metal Agencies Limited	**8**	3
Elval Colour SA	**3**	1
Symetal	**2**	-
Tepro Metal AG	-	73
Amounts owed by related party		
ElvalHalcor Hellenic Copper and Aluminium Industry S.A	-	1
Amounts owed to related party		
ElvalHalcor Hellenic Copper and Aluminium Industry S.A	**74**	46
Metalign	**18**	9
Elkeme SA	**5**	4
Elval Colour SA	**3**	-
Teka Systems SA	**2**	4
Metal Agencies Limited	**1**	1
Tepro Metal AG	-	39
Viexal Limited	-	2

Viohalco S.A owns 75% of the ordinary shares in the company. ElvalHalcor Hellenic Copper and Aluminium Industry SA, Elval Colour SA, Metal Agencies Limited, Symetal, Hellenic Cables SA, Sofia Med, Viexal Limited, Teka Systems SA, Elkeme SA, Tepro Metal AG and Metalign are all part of the Viohalco SA Group, the company's ultimate parent undertaking. United Aluminum Company of Japan owns 25% of the ordinary shares of the company. UACJ Corporation is part of the United Aluminum Company of Japan group.

Notes *(continued)*

22 Ultimate parent undertaking and controlling party

The Company is a subsidiary undertaking of Viohalco SA which is the ultimate parent company incorporated in Belgium. The ultimate controlling party is Viohalco SA.

The largest group in which the results of the Company are consolidated is that headed by Viohalco SA, incorporated in Belgium. The consolidated financial statements of this group are available to the public and may be obtained from the offices of Viohalco SA, which are located at 30 Avenue Marnix, 1000 Brussels, Belgium.

23 Prior Year Adjustments

During the year, the Company reviewed its accounting for hedging relationships in respect of purchases of aluminium and determined that the conditions for hedge accounting had not been met, as explained below.

For numerous hedge relationships, appropriate hedge documentation was not in place at inception of these hedges. Additionally, in many cases appropriate hedge effectiveness testing was not carried out and where it was performed it indicated ineffectiveness.

The Company has continued to enter into economic hedging arrangements to protect the commercial position.

The following tables show the effect of these restatements on the opening balance sheet as at 1 January 2017, the balance sheet as at 31 Decemeber 2017 and the profit and loss account and other comprehensive income for the year ended 31 December 2017.

Profit and loss account and other comprehensive income

Adjustments for the year ended 31 December 2017

	As originally reported £000	Adjustment £000	As restated £000
Cost of sales	(186,156)	(169)	(186,325)
Interest receivable and similar income	48	3,170	3,218
Tax on profit	(394)	(484)	(878)
Items that are or may be reclassified subsequently to profit or loss			
Reversal of the effective portion of changes in fair value of cash flow hedges	4,209	(4,209)	-
Reversal of the Income tax on items that are or may be reclassified subsequently to profit or loss	(789)	789	-
Other comprehensive income for the year, net of income tax	3,420	(3,420)	-

Balance sheet

adjustments	*1 January 2017*			*31 December 2017*		
	As originally reported	Adjustment	As restated	As originally reported	Adjustment	As restated
	£000	£000	£000	£000	£000	£000
Stocks	33,264	(765)	32,499	51,200	(1,972)	49,228
Deferred tax liability	(1,212)	(98)	(1,114)	(2,107)	403	(1,704)
Cash flow hedging reserve	(6,161)	6,161	-	(2,741)	2,741	-
Profit and loss account	52,791	(6,827)	45,964	53,420	(4,310)	49,110

Statement of Changes in Equity

As originally reported	Called up share capital £000	Share premium account £000	Cash flow hedging reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2017	29,333	6,667	(6,161)	52,791	82,630
Total comprehensive income for the period					
Profit or loss	-	-	-	629	629
Other comprehensive income	-	-	3,420	-	3,420
Total comprehensive income	-	-	3,420	629	4,049
Balance at 31 December 2017	29,333	6,667	(2,741)	53,420	86,679

Adjustment	Called up share capital £000	Share premium account £000	Cash flow hedging reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2017	-	-	6,161	(7,534)	(1,373)
Total comprehensive income for the period					
Profit or loss	-	-	-	3,224	3,224
Other comprehensive income	-	-	(3,420)	-	(3,420)
Total comprehensive income	-	-	(3,420)	3,224	(196)
Balance at 31 December 2017	-	-	2,741	(4,310)	(1,569)

As restated	Called up share capital £000	Share premium account £000	Cash flow hedging reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2017	29,333	6,667	-	45,964	81,257
Total comprehensive income for the period					
Profit or loss	-	-	-	3,146	3,853
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	3,146	3,853
Balance at 31 December 2017	29,333	6,667	-	49,110	85,110