25 June 2019

Creightons Plc

Preliminary results

Creightons Plc (the "Group" or "Creightons") is pleased to announce its preliminary results for the year ended 31 March 2019.

Financial highlights

- Revenue increased by 26.4% to £44.0m (2018: £34.8m).
- Operating profit increased by 77.4% to £2,900,000 (2018: £1,635,000).
- Operating profit margin of 6.6% (2018: 4.7%).
- Balance sheet remains strong after significant investment in working capital, product development and fixed assets to support organic growth.
- A tax credit of £22,000 relates to current and prior year credit of £539,000 in respect of R&D relief claimed.
- The profit for the year has increased by £1,659,000 to £2,891,000 (2018: £1,232,000).
- The profit increase has improved the fully diluted earnings per share to 4.16p (2018: 1.85p).
- Proposed final dividend 0.40p per ordinary share (2018: 0.23p).

Operational highlights

- Sales growth momentum maintained:
  - Sales of retailer own label products increased by 42.0%
  - Contract sales growth by 31.7%
  - Our own branded sales have grown by 1.4%, including export sales growth of 8.1%
  - Total overseas sales have increased by 9.0% to £5m (2018: £4.6m).
- Focus on transitioning brands into higher price point and mass/"masstige" retail distribution listings with wider distribution of the Curl Company and Feather & Down with post year end listings for BAMbeautiful.
- Cash generated from operations has been invested in working capital, product development and plant & equipment to support the business growth.
- Tube and bottle filling capacity increased by 20% and 33% respectively following the purchase of two new high capacity production lines.
- Invested in far east sourcing structure to access lower cost components.
- Outsourced the warehousing and distribution of the majority of our finished goods to a third party logistics provider.
- Both Feather & Down and BAMBeautiful shortlisted for upcoming prestigious beauty awards to be announced later this year.

Commenting on the results, William McIllroy, Chairman of Creightons Plc, said:
"The Group has had an outstanding year delivering significant organic sales growth and continued improvements in operating profit and margins. The past decisions to outsource production, whilst plans were put in place to increase capacity, and to outsource our finished goods warehousing have paid dividends this year by enabling the group to deliver exceptional increases in profits. We will continue to invest to enhance production and operational capability to enable the Group to sustain profitable operations and to continue to seize new profitable opportunities."

Commenting on the results, Bernard Johnson, Managing Director, said:
"The team across the Group has performed exceptionally well to cope with the growing pains associated with the challenges arising from significant organic sales growth. We have increased resources and skill levels to cope with the continued expansion and are now looking to the future and developing a team and operational resources to cope with the next stage of our expansion. We are actively looking at opportunities to develop or invest in brands and businesses which will allow us to take the Group forward and meet our medium term ambitions.

Lastly, I am pleased to say we are considering purchasing the Peterborough site from the landlord to be funded primarily by a new loan facility. This would secure our main manufacturing base's long-term future and provide the opportunity to expand manufacturing and warehousing facilities as our business grows. I hope to bring this transaction forward in the next few months for the necessary regulatory and shareholder approval as it would involve a related party."

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Overview

The Group has continued its recent expansion with organic sales growth of 26.4% resulting in sales of £44.0m for the year ended 31 March 2019 (2018: £34.8m). This has driven a 77.4% increase in operating profit to £2,900,000 (2018: £1,635,000).

Sales
Group sales have increased across all three of our sales streams. Private label and contract sales have continued to grow, increasing by 42.0% and 31.7% respectively. Major range extensions with our largest customer and the continued growth with a major retailer in the UK were the main drivers of this increase. Sales of our branded products have increased by 1.4% in the period with the growth driven by more premium brands such as Feather & Down, which continues to perform both with current customers and extended distribution, and The Curl Company with wider distribution in both the UK and overseas delivering continued growth. The discount sector continues to be a competitive market with many of the grocers moving away from brands to focus on their private label offering, which resulted in a reduction in sales. Export sales of branded products continued to grow by 8.1% in the year.

The Group's total overseas business including the Australian subsidiary and non-own branded customers has grown by 9.0% to £5,005,000 (2018: £4,592,000).

Margin and cost of goods
Our gross margin was 39.4% for the year ended 31 March 2019 (2018: 40.6%). The main driver has been a change in sales mix in the period with a higher proportion of sales from our private label customers, which typically have lower margin and a lower proportion of higher margin branded sales. All outsourced production, which had an incremental cost of £68,000 in the year (2018: £229,000) has been brought back in house. Margins have been adversely impacted by rises in the national living wage and by raw material prices increases. We have benefited from the economies of scale generated by the sales growth, continued improvements in productivity and we have successfully re-sourced many raw materials during the year to mitigate the impact of underlying price increases. The re-sourcing exercise is continuing and we have invested in an overseas sourcing structure to access more cost-effective sources of supply. During the period we have made significant investment in new equipment in order to increase capacity and whilst capacity rather than productivity has been the main driver there have been significant productivity gains arising from this expansion programme.

Distribution costs and Overheads
Distribution costs have increased by 49.0% to £2,204,000 (2018: £1,479,000), partly driven by organic growth but also due to the decision to outsource the warehousing and distribution of our finished goods to a third-party logistics provider. This process is complete and was critical in enabling the Group to deliver the sales growth.

Overhead costs have increased by 10.9% in the year as the Group has invested in increased resources as it builds a team capable of delivering the growth anticipated for the future. The improved 26.4% sales growth compared to 10.9% increased overheads demonstrate the operational leverage the Group has been able to deliver. We will continue to manage our overhead cost base requirements to ensure they are aligned with the anticipated sales levels of the Group.

Research and Development
The Group invests significant resources in research and product development. As the Group has developed its business towards more leading-edge products the nature of the research and development has become more sophisticated. The total investment in research and development where we have made claims for R&D tax relief in the year is £721,000 (2018: £726,000).

Operating profit
Operating profit increased by £1,265,000 (77.4%) to £2,900,000 (2018: £1,635,000). The growth in sales along with a controlled overhead base have driven an increase in operating profit margin to 6.6% (2018: 4.7%).

Tax
The Group's tax charge for the year was a credit of £22,000 (2018: charge of £377,000) which equates to a rate of minus 0.8% (2018: charge 23.4%). The effective rate of tax is significantly less than the standard rate of 19% (2018: 19%). The main reason for this reduction is the R&D relief claims for the current year of £178,000 and prior years of £361,000 although there are other one off timing differences. With the Group's continuing research and development into products we expect the underlying tax rates for future years to be in the region of 13% as long as the R&D relief remains available.

Profit after tax
The Group's profit after tax has increased by £1,659,000 (134.7%) to £2,891,000 for the year ended 31 March 2019 (2018: £1,232,000)

Earnings per share
The diluted earnings per share of 4.16p (2018: 1.85p) is an increase of 124.9%.

Working capital
Net borrowings (cash and cash equivalents less bank loan and short-term borrowings) is £383,000 (2018: Net cash on hand £221,000). The main reason for the decrease in net cash on hand is the impact of increased investment in working capital together with increased investment in new product development and plant and equipment to support the sales growth. The Group had also invested in stock as part of its Brexit planning strategy. Following the decision to delay Brexit and the fact that the duty and trading implications of a non-deal Brexit are more clearly understood the Group is unwinding this investment in stock with a consequential increase in the Group's cash resources. The Group has continued to focus on working capital management and whilst both stock levels and trade debtors have increased the ratios continue to be largely in line with expectations. High sales in the last month of the year have driven an increase in debtors.

Share Options
The Board gained shareholders' approval and implemented a new Company Share Option Plan in October 2018 with the grant of 6,737,200 options to the employees employed for more than 6 months and Directors of the business. The Board considers that rewarding such a large proportion of employees is a significant motivator and helps the Group deliver its sales and profit growth.

Dividend
The Board proposes a final dividend of 0.40 pence per ordinary share, subject to approval at the AGM, an increase of 0.17p more than last year's final dividend of 0.23p. This is in line with the directors' intention to align future dividend payments to the underlying earnings and cash flow of the business. Together with the interim dividend of 0.15p per share paid last December, the total dividend payable for the year ended 31 March 2019 is 0.55p (2018: 0.38p).

The Board believes that this year's sales of £44,030,000, profit after tax of £2,891,000 and our strong balance sheet places the Group in a good position to take advantage of any opportunities that may arise.

Directors' responsibilities statement

The directors whose names and functions are set out on page 60 of the full report are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable laws and regulations.

UK company law requires the directors to prepare such financial statements for each financial year. Under that law the directors are required to prepare the Group consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and Article 4 of International Accounting Standards regulation and have also chosen to prepare the parent company financial statements under IFRS as adopted by the European Union. Under UK company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the finance statements have been prepared in accordance with IFRS as adopted by the European Union; and
- 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 maintaining proper accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that its financial statements comply with the Companies Act 2006 and Article 4 of International Accounting Standards regulation. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' responsibility statement pursuant to DTR4 – Periodic Financial Reporting
Each of the directors confirms that to the best of their knowledge:

1. the financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
2. the strategic report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with the description of the principal risks and uncertainties that they face; and
3. the report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Principal risks and uncertainties

Risks

The Board regularly monitors exposure to key risks, such as those related to production efficiencies, cash position and competitive position relating to sales. It has also taken account of the economic situation over the past 12 months, and the impact that has had on costs and consumer purchases.

It also monitors those risks not directly or specifically financial, but capable of having a major impact on the business's financial performance if there is any failure, such as product contamination and manufacture outside specification, maintenance of satisfactory levels of customer and consumer service, accident ratios, failure to meet environmental protection standards or any of the areas of regulation mentioned above. Further details of financial risks are set out in Note 2.

Capital structure, cash flow and liquidity

The Group has a strong balance sheet with working capital investment at the year end. The business is funded using retained earnings, invoice discounting, overdraft and hire purchase facilities secured against the Group's assets. Further details are set out in Note 2.

Competitive environment

The Group operates in a highly competitive environment in which demand for products can vary and customers have the opportunity to transfer business to other suppliers. The Group works to minimise this risk by developing close relationships with customers offering quality, service and innovation throughout the business. This risk is also further reduced through the development of its branded product portfolio and by the diversity of customers and products offered.

Quality

The Group treats quality as its key requirement for all products and strives to deliver quality products for every price point. Failure to achieve the required quality and safety standards would have severe consequences for the Group, from financial penalties to the damage to customer relationships. The Group has a robust product development process to mitigate risk wherever possible and to ensure all products are safe and fit for purpose. The Group is subject to frequent internal and external safety, environmental and quality audits covering both accreditations held and a number of specific operating standards our customers require us to comply with.

Consolidated income statement

		Year ended 31 March 2019	Year ended 31 March 2018
		£000	£000
Revenue		44,030	34,810
Cost of sales		(26,690)	(20,660)
Gross profit		17,340	14,150
Distribution costs		(2,204)	(1,479)
Administrative expenses		(12,236)	(11,036)
Operating profit		2,900	1,635
Finance costs		(31)	(26)
Profit before tax		2,869	1,609
Taxation		22	(377)
Profit for the year from continuing operations attributable to the equity shareholders of the parent company		2,891	1,232

Dividends

		Year ended 31 March 2019	Year ended 31 March 2018
Paid in year (£000)		233	230
Paid in year (pence per share)		0.38p	0.38p
Proposed (£000)		253	139
Proposed (pence per share)		0.40p	0.23p

Earnings per share

		Year ended 31 March 2019	Year ended 31 March 2018
	Note		
Basic	**3**	4.69p	2.03p
Diluted	**3**	4.16p	1.85p

Consolidated statement of comprehensive income

		Year ended 31 March	Year ended 31 March
		2019	2018
		£000	£000
Profit for the year		2,891	1,232
Exercise of derivatives		-	37
Items that may be subsequently reclassified to profit and loss:			
Exchange differences on translating foreign operations		-	9
Other comprehensive income for the year		-	46
Total comprehensive income for the year attributable to the equity shareholders of the parent		2,891	1,278

Consolidated balance sheet

		31 March 2019	31 March 2018
	Note	£000	£000
Non-current assets			
Goodwill		331	331
Other intangible assets		418	349
Property, plant and equipment		2,363	1,832
		3,112	**2,512**
Current assets			
Inventories		8,015	5,499
Trade and other receivables		8,280	7,667
Cash and cash equivalents		349	968
		16,644	**14,134**
Total assets		**19,756**	**16,646**
Current liabilities			
Trade and other payables		6,339	6,260
Obligations under finance leases		40	-
Borrowings		732	747
		7,111	**7,007**
Net current assets		**9,533**	**7,127**
Non-current liabilities			
Deferred tax liability		25	34
Obligations under finance leases		154	-
		179	**34**
Total liabilities		**7,290**	**7,041**
Net assets		**12,466**	**9,605**
Equity			
Share capital	**4**	625	607
Share premium account		1,329	1,262
Other reserves		25	25
Retained earnings		10,487	7,711
Total equity attributable to the equity shareholders of the parent company		**12,466**	**9,605**

Consolidated statement of changes in equity

	Share capital	Share premium account	Other reserves	Translation reserve	Cash flow hedge reserve	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2017	606	1,259	25	(9)	(37)	6,623	8,467
Exchange differences on translation of foreign operations	-	-	-	9	-	-	9
Exercise of options	1	3	-	-	-	-	4
Share-based payment charge	-	-	-	-	-	69	69
Exercise of derivatives	-	-	-	-	37	-	37
Deferred tax through Equity	-	-	-	-	-	17	17
Dividends	-	-	-	-	-	(230)	(230)
Profit for the year	-	-	-	-	-	1,232	1,232
At 31 March 2018	607	1,262	25	-	-	7,711	9,605
Exercise of options	18	67	-	-	-	-	85
Share-based payment charge	-	-	-	-	-	69	69
Deferred tax through Equity	-	-	-	-	-	49	49
Dividends	-	-	-	-	-	(233)	(233)
Profit for the year	-	-	-	-	-	2,891	2,891
At 31 March 2019	625	1,329	25	-	-	10,487	12,466

Consolidated cash flow statement

	Note	Year ended 31 March 2019 £000	Year ended 31 March 2018 £000
Net cash generated from/(used in) operating activities	**5**	**958**	**(413)**
Investing activities			
Purchase of property, plant and equipment		(1,026)	(633)
Purchase of intangible assets		(583)	(549)
Net cash used in investing activities		**(1,609)**	**(1,182)**
Financing activities			
Proceeds from finance leases obligations		198	-
Repayment of finance lease obligations		(5)	-
Proceeds on issue of shares		85	4
Increase in invoice financing facilities		398	-
(Decrease)/increase of borrowings		(413)	679
Repayment of bank loans		-	(534)
Dividends paid to owners of the parent		(233)	(230)
Net cash generated from/(used in) financing activities		**30**	**(81)**
Net decrease in cash and cash equivalents		**(621)**	**(1,676)**
Cash and cash equivalents at start of year		**968**	**2,631**
Effect of foreign exchange rate changes		2	13
Cash and cash equivalents at end of year		**349**	**968**

Notes to preliminary announcement

1. Significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with IFRS adopted by the European Union and the Group financial statements comply with Article 4 of the EU IAS regulations.

The financial statements have also been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Adoption of new and revised accounting standards

The new standards impacting on the Group have been adopted in its financial statements for the year ended 31 March 2019 and have changed the Group's accounting policies are:

- IFRS 9, Financial Instruments (IFRS 9) and
- IFRS 15, Revenue from Contracts with Customers (IFRS 15)

Effect of changes in accounting policies

IFRS 15 provides a single comprehensive standard in accounting for revenue arising from contracts with customers. IFRS 15 supersedes all previous revenue guidance. The Group has adopted IFRS 15 for the year ended 31 March 2019 and has applied the modified retrospective approach without restating the comparatives.

Under IFRS 15 early settlement discounts, royalties due to third parties and promotional support due to customers are estimated and recognised as a reduction to revenue when performance obligations are satisfied. For the impact in the year to 31 March 2019 see note 5 of the full report.

The Group has applied IFRS 9 from 1 April 2018 and has applied the retrospective approach without restating the comparatives.

IFRS 9 introduced a new classification and measurement model of financial assets reducing the number of categories of financial assets from previous standards. There are now three categories of financial assets recognised from being measured at

- fair value through the statement of income;
- fair value through the statement of comprehensive income or at
- amortised cost.

The Group's financial assets measured at amortised cost comprise trade and other receivables, and cash and cash equivalents in the consolidated statement of financial position. Hence there is no reclassification or accounting changes required.

Under IFRS 9 the major change is on impairments which are recognised on an expected loss basis rather than incurred loss. The Group will always account for expected credit losses and changes in those expected losses reviewed at each year end. The Group measures expected credit losses on a collective basis, trade receivables are grouped based on ageing. The expected losses are based on the Group's historical credit losses over the past ten years, and consideration of future economic factors. The new impairment model has no material impact on the Group results.

All other principal accounting policies which apply in preparing the financial statements for the year ended 31 March 2019 are consistent with those disclosed in the Group's audited accounts for the year ended 31 March 2018.

2 Financial instruments and treasury risk management

Exposures to credit, interest and currency risks arise in the normal course of the Group's business. Risk management policies and hedging activities are outlined below.

Credit risk

Trading exposures are monitored by the operational companies against agreed policy levels. Credit insurance with a world leading insurer is employed where it is considered to be cost effective. Non-trading financial exposures are incurred only with the Group's bankers or other institutions with prior approval of the Board of directors.

The majority of trade receivables are with retail customers. The maximum exposure to credit risk is represented by the carrying amount of those financial assets in the balance sheet.

Impairment provisions on trade receivables have been disclosed in note 19 of the full report.

Interest rate risk

The Group finances its operations through a mixture of debt associated with working capital facilities and equity. The Group is exposed to changes in interest rates on its floating rate working capital facilities. The variability and scale of these facilities is such that the Group does not consider it cost effective to hedge against this risk.

Interest rate sensitivity

The interest rate sensitivity is based upon the Group's borrowings over the year assuming a 1% increase or decrease which is used when reporting interest rate risk internally to key management personnel.

A 1% increase in bank base rates would reduce Group pre-tax profits by £7,000 (2018: £7,000). A 1% decrease would have the opposite effect. The Group's sensitivity to interest rates has not changed during the current year.

Foreign currency risks

The Group is exposed to foreign currency transaction and translation risks.

Transaction risk arises on income and expenditure in currencies other than the functional currency of each group company. The magnitude of this risk is relatively low as the majority of the Group's income and expenditure are denominated in the functional currency. Approximately 2% (2018: 3%) of the Group's income is denominated in US dollars and 2% (2018: 2%) in Euros. Approximately 1% (2018: 1%) of the Group's expenditure is denominated in US dollars and 7% (2018: 8%) in Euros.

Foreign currency sensitivity

A 5% strengthening of sterling would result in a £46,000 (2018: £48,000) reduction in profits and equity. A 5% weakening in sterling would result in a £50,000 (2018: £53,000) increase in profits and equity.

When appropriate the Group utilises currency derivatives to hedge against significant future transactions and cash flows. The Group had entered into forward exchange contracts during the year ended 31 March 2018 for hedging the exchange rate risk from commitments to purchase raw materials denominated in Euros and then sold in US dollars, which were designated as cash flow hedges. The instruments purchased were in the currency used by the Group's principal overseas suppliers and were all settled in the year. There were no outstanding contracts as at 31 March 2018 or 31 March 2019.

The Group designates its foreign currency forward exchange contracts as hedging instruments as they qualify for hedge accounting under IAS39. The Group is party to foreign currency forward contracts in the management of its exchange risk exposure; they are not held for speculative purposes. The instruments purchased are in the currencies used by the Group's overseas customers and suppliers.

Cash flow and liquidity risk

The Group manages its working capital requirements through overdrafts and invoice finance facilities. These facilities are due to be renewed in March 2020. The maturity profile of the committed bank facilities is reviewed regularly and such facilities are extended or replaced well in advance of their expiry. The Group has complied with all of the terms of these facilities. At 31 March 2019 the Group had available £4,744,000 (2018: £3,873,000) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

Financial assets

Financial assets are included in the Statement of financial position within the following headings. These are valued at amortised cost and are detailed below.

		Group		**Company**	
		2019	**2018**	**2019**	**2018**
		£000	**£000**	**£000**	**£000**
Trade and other receivables		7,862	7,248	2,614	2,529
Cash and cash equivalents		349	968	-	-
		8,211	**8,216**	**2,614**	**2,529**

Financial liabilities

Financial liabilities are included in the Statement of financial position within the following headings. These are valued at amortised cost and are detailed below.

Year ended 31 March 2019

		Group			
		Less than 6 months	**Between 6 months and 1 year**	**Between 1 and 5 years**	**Total**
		£000	**£000**	**£000**	**£000**
Trade and other payables		4,459	-	-	4,459
Accruals		1,031	-	-	1,031
Obligations under finance leases		23	23	166	212
Borrowings		732	-	-	732
		6,245	**23**	**166**	**6,434**

Year ended 31 March 2018

		Group			
		Less than 6 months	**Between 6 months and 1 year**	**Between 1 and 5 years**	**Total**
		£000	**£000**	**£000**	**£000**
Trade and other payables		4,561	-	-	4,561
Accruals		699	-	-	699
Obligations under finance leases		-	-	-	-
Borrowings		747	-	-	747
		6,007	**-**	**-**	**6,007**

3 Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

		Year ended 31 March	**Year ended 31 March**
		2019	**2018**
		£000	**£000**
Earnings			
Net profit attributable to the equity holders of the parent company		2,891	1,232

		Year ended 31 March	**Year ended 31 March**
		2019	**2018**
		Number	**Number**
Number of shares			
Weighted average number of ordinary shares for the purposes of basic earnings per share		61,587,535	60,596,963
Effect of dilutive potential ordinary shares relating to share options		7,888,968	5,882,951
Weighted average number of ordinary shares for the purposes of diluted earnings per share		69,476,503	66,479,914

Earnings per share

Basic		4.69p	2.03p
Diluted		4.16p	1.85p

4 Share capital

		Ordinary shares of 1p each	
		£000	Number
At 1 April 2017		606	60,552,243
Issued in the year		1	85,909
At 31 March 2018		607	60,638,152
Issued in the year		18	1,907,991
At 31 March 2019		625	62,546,143

The Company has one class of ordinary shares which carry no right to fixed income. All of the shares are issued and fully paid. The total proceeds from the issue of shares from the exercise of share options in the year was £85,000 (2018: £4,000).

5 Notes to consolidated cash flow statement

		Year ended 31 March 2019	Year ended 31 March 2018
		Group total	Group total
		£000	£000
Profit from operations		**2,900**	**1,635**
Adjustments for:			
Depreciation on property, plant and equipment		489	412
Amortisation of intangible assets		514	412
Loss on disposal of property, plant and equipment		6	26
Share based payment charge		69	69
		3,978	**2,554**
Increase in inventories		(2,516)	(1,475)
Increase in trade and other receivables		(442)	(2,806)
Increase in trade and other payables		297	1,710
Cash generated from/(used in) operations		**1,317**	**(17)**
Interest paid		(31)	(26)
Taxation paid		(328)	(370)
Net cash generated from/(used in) operating activities		**958**	**(413)**

Cash and cash equivalents (which are presented as a single asset on the face of the balance sheet) comprise cash at bank and in hand.

6 Status of information

In accordance with section 435 of the Companies Act 2006, the directors advise that the financial information set out in this announcement does not constitute the Group's statutory financial statements for the year ended 31 March 2019 or 2018, but is derived from these financial statements. The financial statements for the year ended 31 March 2018 have been delivered to the Registrar of Companies. The financial statements for the year ended 31 March 2019 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The financial statements for the year ended 31 March 2019 will be forwarded to the Registrar of Companies following the Company's Annual General Meeting. The Auditors have reported on these financial statements; their reports were unqualified and did not contain statements under Section 498(2) or (3) of the Companies Act 2006.

The consolidated statement of financial position at 31 March 2019 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended have been extracted from the Group's financial statements. Those financial statements have not yet been delivered to the Registrar.

The strategic report with supplementary material is expected to be posted to Shareholders shortly. The annual report and accounts will also be available on the Company's website at: www.creightonsplc.com and in hard copy to shareholders upon request from the Company’s registered office at 1210 Lincoln Road, Peterborough, PE4 6ND.

The annual report and accounts for the period ended 31 March 2019 will be uploaded to the National Storage Mechanism and will be available for viewing shortly at http://www.morningstar.co.uk/uk/NSM

The Directors will notify shareholders when the accounts are posted and have been uploaded to the website and to the NSM.

The Company's AGM will take place at the offices of Potter & Moore Innovations Ltd, 1210 Lincoln Road, Peterborough, PE4 6ND on 14 August 2019 at 12:00 noon.