Ena Shaw Limited

Registered number: 00590975

Annual report

For the period ended 27 January 2018

ENA SHAW LIMITED

COMPANY INFORMATION

Directors	J R Potter R M W Potter P L Potter M Gordon S A Taylor
Registered number	00590975
Registered office	22/26 Duke Street St Helens Merseyside WA10 2JP
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditors 14th Floor The Plaza 100 Old Hall Street Liverpool L3 9QJ
Bankers	Barclays 1st Floor 3 Hardman Street Spinningfields Manchester M3 3HF
Solicitors	Addleshaw Goddard Solicitors 100 Barbirolli Square Manchester M2 3AB

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GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 27 JANUARY 2018

Business review

The company is a privately owned unquoted Company. The company is principally engaged in the supply of window furnishings to the retail trade but also operates a successful contract furnishing division which continues to win significant contracts within the hospitality, care & social sectors.

The principal activity of the parent company during the period ended 27th January 2018 continued to be supporting our established network of group & independent retailers supplying a full range of curtain and blind products in accordance with their requirements. The principal activity of our subsidiary company Montgomery Interiors (MI) is the retail of soft furnishings, either via online/direct channels or via concessions within UK department and furnishing stores.

Principal risks and uncertainties

The main risks to company profitability derive from economic and political uncertainty and a further fall in consumer confidence. The economic and political outlook remains volatile given the lack of agreement surrounding the process of leaving the European Union, but it is hoped that confidence will start to return once the outcome is clear. However the lack of significant improvement in the Sterling exchange rate and the consequent pressure on raw material prices present a continuing risk to profitability. Furthermore, any increase in the price of cotton or polyester (oil-based) will have an effect on cost of materials for both existing and new products.

Further on-going uncertainty originates from the continuing above inflation growth of the Living Wage and its consequent effect on wage inflation generally. The Company has a long term productivity strategy to match the higher wage rates with improved efficiency and a general improvement in standards. This includes utilising the apprentice levy to fund degree apprenticeships and a new industrial sewing apprenticeship which we helped develop as part of the trailblazer group.

Financial key performance indicators

Group Turnover in 2017-18 reduced by 15.15% to £15,205,148 compared to £17,919,273 for the period ended 27th January 2018. The reduced turnover resulted from the planned withdrawal from a number of unprofitable MI concessions including Debenhams (£1,616,000) with the balance reflecting the difficulties experienced across the majority of the home furnishing retail sector. Gross margin for the current period has decreased by 1.16% resulting from increased raw material prices and a continuing prudent approach to stock valuation. The gross margin percentage is in line with the longer term average achieved. The company have not recommended a dividend be paid to the shareholders.

The group experienced a net cash outflow in the period of £114,430 but within this repaid borrowings in the year of £93,632. Customer and supplier payment terms have been maintained in line with the previous period with creditor payment days reducing significantly from last year. The group balance sheet has decreased from £3,110,752 to £2,719,542 at 27th January 2018, but remains strong. The company also has access to agreed committed bank facilities with Barclays Bank Plc.

Outlook

The retail home furnishings sector remains extremely challenging with continuing uncertainty around the on-going exit negotiations with the European Union. However, there are a number of reasons for optimism. Significant progress has been made with the restructuring of MI and whilst this remains ongoing, restructuring is expected to be completed by the end of 2018. Contract sales have continued to grow and demand remains strong in a number of sectors. This is likely to continue, helped in part by increased public investment. Within our core business a number of initiatives are under development with product launches commencing late 2018.

This report was approved by the board and signed on its behalf.

R M W Potter
Director

Date: 24|10|18

DIRECTORS' REPORT
FOR THE PERIOD ENDED 27 JANUARY 2018

The directors present their report and the financial statements for the period ended 27 January 2018.

Principal activity

The principal activity of the group during the period was the manufacturing, wholesaling and retailing of soft furnishings and related items.

Results and dividends

The loss for the period, after taxation, amounted to £391,210 (2017: loss £85,753).

The directors have not recommended the payment of a dividend (2017: £NIL).

Directors

The directors who served during the period were:

J R Potter
R M W Potter
P L Potter
M Gordon
S A Taylor

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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 the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charitable contributions

During the period the group made non-political charitable donations totalling £1,427 (2017: £2,400).

Corporate Social Responsibility

The directors are responsible for Corporate Social Responsibility (CSR) and are committed to publishing our policies, objectives and targets to all stakeholders via our corporate website.

Ena Shaw has continued its strong commitment to corporate responsibility, which is now an everyday part of the way Ena Shaw does business. Further initiatives have been announced to build on the successful achievement of the group's initial targets to raise funds for our chosen charities.

Financial risk management objectives and policies

The group's operations expose it to certain financial risks that include price risk, credit risk, liquidity risk and interest rate risk. The group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the group by monitoring levels of debt finance and the related finance costs. The group does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Given the size of the group the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The group's finance department implements the policies set by the board of directors.

Price risk
The group is exposed to raw material price risk as a result of its operations. However given the size of the group's operations, the cost of managing exposure to raw material price risk exceed any potential benefits. It is also possible for the group to source replacement materials from other sources fairly quickly, which further reduces the group's price risk exposure. The directors will revisit the appropriateness of this policy should the group's operations change in size or nature. Exchange risk exposure on materials purchased within the euro zone is mitigated by incoming currency flows. The group has no exposure to equity securities as it holds no listed or equity investments.

Credit risk
The group has implemented policies that require strict credit checks on potential customers before sales are made. The group also utilises a credit insurance policy with all debts (where cover is available) insured to the maximum possible under the policy. Senior board approval is required for any significant trading that cannot be covered by sufficient credit insurance. Where debt finance is utilised, this is subject to pre-approval by the Board of Directors. The board regularly assesses the amount of exposure to any individual counterparty.

Liquidity risk
The Board reviews the group's ongoing liquidity risks annually as part of the planning process and on an ad hoc basis. The group utilises its cash resources and where necessary maintains a mixture of long and short-term debt finance that is designed to ensure the group has sufficient available funds for operations and planned expansions.

Interest rate cash flow risk
At the present time the group earns little or no interest from its cash balances. The group has a policy of when necessary securing debt at fixed rates to provide certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the group's operations change in size or nature.

Disabled employees

In accordance with the requirements of the Disability Discrimination Act 1995, the group gives equal consideration to applications for employment from disabled persons and makes reasonable adjustments to positions in order to accommodate the needs of a disabled applicant, where that person is the most suitably qualified applicant.

In circumstances where existing employees become disabled, it is the group's policy to make reasonable adjustments to the job role or to offer redeployment where possible, in order to ensure continuing employment.

The group adopts a policy of promoting equal opportunity in employment regardless of workers' gender, race, disability, sexual orientation, religious belief or age. This principle applies to all terms and conditions of employment and to recruitment, training, promotion and redundancy.

Going concern

The financial statements have been prepared on a going concern basis which assumes the group and parent company will have sufficient funds to continue to pay its debts as and when they fall due and thus continue to trade. The directors have a reasonable expectation that the group and parent company has adequate resources to continue in operational existence for the foreseeable future based on its forecasts and projections. In making their assessment, the directors have considered a period of at least 12 months from the date of signing these financial statements.

Future developments

As advised last year, the significant restructuring of Montgomery Interiors during 2017 has significantly reduced group turnover for 2017-18. However, the long term effect of these changes is positive, allowing a significant reduction in costs with the aim of trading more profitably from a smaller base being achieved in the early part of 2018-19. As part of the restructuring, several larger concessions have opened and a process of fine tuning has continued to make sure that there is a positive contribution from all continuing outlets.

Ena Shaw Home has seen growth in 2018 following the implementation of a new promotional and marketing strategy. This is against market trend and very pleasing in tough trading conditions.

The contract division has won a number of valuable new contracts during 2018 and the outlook remains positive. We expect future gains as we build our profile, expand into new market sectors, and public sector investment increases.

Although market conditions remain challenging for our core retail business, investment in new people, systems and products is expected to start bringing benefits in the near future.

Given the uncertainty surrounding the economy, consumer confidence and Brexit, strategy remains under review so that we can quickly adapt as circumstances change. In particular, we are maintaining a strong focus on cost control and planning changes to make our manufacturing more flexible and better able to withstand fluctuating demand. We are formalising a supplier strategy, to ensure that there are no interruptions to supply in the event of a hard Brexit and are continuing to develop our local supply chain, purchasing from within the UK wherever possible.

Post balance sheet events

There have been no significant events affecting the group since the period end date.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

Auditors

Mazars LLP are deemed to be reappointed in accordance with the elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

This report was approved by the board and signed on its behalf.

R M W Potter
Director

Date: 24/10/18

22/26 Duke Street
St Helens
Merseyside
WA10 2JP

Independent auditor's report to the members of Ena Shaw Limited

Opinion

We have audited the financial statements of Ena Shaw Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 27 January 2018 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 27 January 2018 and of the group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.

Gareth Hitchmough (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

14th Floor
The Plaza
100 Old Hall Street
Liverpool
L3 9QJ

Date: 30th October 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 27 JANUARY 2018

	Note	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Turnover	3	15,205,148	17,919,273
Cost of sales		(9,405,482)	(10,875,660)
Gross profit		5,799,666	7,043,613
Administrative expenses		(6,173,743)	(7,115,904)
Other operating income	4	3,960	8,520
Operating loss	5	(370,117)	(63,771)
Interest payable and expenses	9	(42,960)	(103,241)
Loss before taxation		(413,077)	(167,012)
Tax on loss	10	21,867	81,259
Loss for the financial period		(391,210)	(85,753)
Loss for the period attributable to:			
Owners of the parent company		(391,210)	(85,753)

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 16 to 36 form part of these financial statements.

ENA SHAW LIMITED
REGISTERED NUMBER: 00590975

CONSOLIDATED BALANCE SHEET
AS AT 27 JANUARY 2018

	Note		27 January 2018 £		28 January 2017 £
Fixed assets					
Tangible assets	12		847,355		941,119
			847,355		941,119
Current assets					
Stocks	14	3,110,336		3,545,914	
Debtors: amounts falling due within one year	15	1,685,503		1,825,809	
Cash at bank and in hand	16	24,881		75,422	
		4,820,720		5,447,145	
Creditors: amounts falling due within one year	17	(2,590,200)		(3,263,975)	
Net current assets			2,230,520		2,183,170
Total assets less current liabilities			3,077,875		3,124,289
Creditors: amounts falling due after more than one year	18		(358,333)		(13,537)
Net assets			2,719,542		3,110,752
Capital and reserves					
Called up share capital	23		33,804		33,804
Share premium account	24		11,608		11,608
Revaluation reserve	24		233,164		238,233
Capital redemption reserve	24		23,338		23,338
Profit and loss account	24		2,417,628		2,803,769
Equity attributable to owners of the parent company			2,719,542		3,110,752

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

R M W Potter
Director

Date: 24|10|18

The notes on pages 16 to 36 form part of these financial statements.

ENA SHAW LIMITED
REGISTERED NUMBER: 00590975

COMPANY BALANCE SHEET
AS AT 27 JANUARY 2018

	Note		27 January 2018 £		28 January 2017 £
Fixed assets					
Tangible assets	**12**		829,395		907,765
Investments	**13**		1		1
			829,396		907,766
Current assets					
Stocks	**14**	3,016,746		3,311,404	
Debtors: amounts falling due within one year	**15**	2,703,991		2,871,904	
Cash at bank and in hand	**16**	5,455		10,537	
		5,726,192		6,193,845	
Creditors: amounts falling due within one year	**17**	(2,368,177)		(3,013,114)	
Net current assets			3,358,015		3,180,731
Total assets less current liabilities			4,187,411		4,088,497
Creditors: amounts falling due after more than one year	**18**		(358,333)		(13,537)
Provisions for liabilities					
Deferred taxation	**22**		-		(4,384)
Net assets			3,829,078		4,070,576
Capital and reserves					
Called up share capital	**23**		33,804		33,804
Share premium account	**24**		11,608		11,608
Revaluation reserve	**24**		233,164		238,233
Capital redemption reserve	**24**		23,338		23,338
Profit and loss account	**24**		3,527,164		3,763,593
			3,829,078		4,070,576

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

R M W Potter
Director

Date: 24/10/18

The notes on pages 16 to 36 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 27 JANUARY 2018

	Called up share capital	Share premium account	Capital redemption reserve	Revaluat'n reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 29 January 2017	33,804	11,608	23,338	238,233	2,803,769	3,110,752
Loss for the period	-	-	-	-	(391,210)	(391,210)
Total comprehensive income for the period	-	-	-	-	(391,210)	(391,210)
Transfer to/from profit and loss account	-	-	-	(5,069)	5,069	-
At 27 January 2018	33,804	11,608	23,338	233,164	2,417,628	2,719,542

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 28 JANUARY 2017

	Called up share capital	Share premium account	Capital redemption reserve	Revaluat'n reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 31 January 2016	33,804	11,608	23,338	243,302	2,884,453	3,196,505
Loss for the period	-	-	-	-	(85,753)	(85,753)
Total comprehensive income for the period	-	-	-	-	(85,753)	(85,753)
Transfer to/from profit and loss account	-	-	-	(5,069)	5,069	-
At 28 January 2017	33,804	11,608	23,338	238,233	2,803,769	3,110,752

The notes on pages 16 to 36 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 27 JANUARY 2018

	Called up share capital	Share premium account	Capital redemption reserve	Revaluat'n reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 29 January 2017	33,804	11,608	23,338	238,233	3,763,593	4,070,576
Loss for the period	-	-	-	-	(241,498)	(241,498)
Total comprehensive income for the period	-	-	-	-	(241,498)	(241,498)
Transfer to/from profit and loss account	-	-	-	(5,069)	5,069	-
At 27 January 2018	33,804	11,608	23,338	233,164	3,527,164	3,829,078

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 JANUARY 2017

	Called up share capital	Share premium account	Capital redemption reserve	Revaluat'n reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 31 January 2016	33,804	11,608	23,338	243,302	3,365,122	3,677,174
Profit for the period	-	-	-	-	393,402	393,402
Total comprehensive income for the period	-	-	-	-	393,402	393,402
Transfer to/from profit and loss account	-	-	-	(5,069)	5,069	-
At 28 January 2017	33,804	11,608	23,338	238,233	3,763,593	4,070,576

The notes on pages 16 to 36 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 27 JANUARY 2018

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Cash flows from operating activities		
Loss for the financial period	(391,210)	(85,753)
Adjustments for:		
Amortisation of intangible assets	-	1,111
Depreciation of tangible assets	184,162	315,794
(Profit)/loss on disposal of tangible assets	(5,958)	951
Government grants	(3,960)	(8,520)
Interest paid	42,960	103,241
Taxation credit	(21,867)	(81,259)
Decrease in stocks	435,578	120,816
Decrease in debtors	162,173	186,323
Decrease in creditors	(295,276)	(33,071)
Net cash generated from operating activities	106,602	519,633
Cash flows from investing activities		
Purchase of tangible fixed assets	(90,398)	(74,533)
Sale of tangible fixed assets	5,958	-
Government grants received	-	900
Hire purchase interest paid	(2,669)	(3,241)
Net cash used in investing activities	(87,109)	(76,874)
Cash flows from financing activities		
Repayment of other loans, hire purchase, and finance leases	(93,632)	(147,653)
Movements on invoice discounting	-	(217,992)
Interest paid	(40,291)	(100,000)
Net cash used in financing activities	(133,923)	(465,645)
Net decrease in cash and cash equivalents	(114,430)	(22,886)
Cash and cash equivalents at beginning of period	(333,228)	(310,342)
Cash and cash equivalents at the end of period	(447,658)	(333,228)
Cash at bank and in hand	24,881	75,422
Bank overdrafts	(472,539)	(408,650)
	(447,658)	(333,228)

1. Accounting policies

1.1 Basis of preparation of financial statements

The company is a private limited company, incorporated in the United Kingdom and registered in England. The registered office is 22/26 Duke Street, St Helens, Merseyside, WA10 2JP.

The financial statements have been prepared under the historical cost convention as modified for the fair value of certain tangible fixed assets and in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

1.2 Basis of consolidation

The consolidated financial statements present the results of group and its own subsidiaries ("the group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

1.3 Going concern

The financial statements have been prepared on a going concern basis which assumes the group and company will have sufficient funds to continue to pay its debts as and when they fall due and thus continue to trade. The directors have a reasonable expectation that the group and company has adequate resources to continue in operational existence for the foreseeable future based on its forecasts and projections. In making their assessment, the directors have considered a period of at least 12 months from the date of signing these financial statements.

1. Accounting policies (continued)

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Interest Income
Interest income is recognised in the Income Statement using the effective interest rate method.

Dividend Income
Dividend income is recognised when the company's right to receive payment is established.

1. Accounting policies (continued)

1.5 Tangible fixed assets

Freehold land and buildings are held by the group and company at deemed cost being their fair value at the date of transition to Financial Reporting Standard 102. The fair value was based on a professional valuation undertaken on 6 November 2013 in accordance with the valuation standards of the Royal Institution of Chartered Surveyors. To comply with the requirements of company law, the revaluation reserve has been retained in capital and reserves, and an amount equal to the excess of the annual depreciation charge over the notional historical cost depreciation charge on the freehold buildings is transferred annually from the revaluation reserve to the profit and loss reserve.

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit / loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant & machinery	- 10-33% straight line
Motor vehicles	- 25% straight line
Fixtures & fittings	- 10-33% straight line
Computer equipment	- 20-33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the Income Statement.

1.6 Operating leases: the group as lessee

Rentals paid under operating leases are charged to the Income Statement on a straight line basis over the period of the lease.

1.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

1. Accounting policies (continued)

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.10 Cash and cash equivalents

Cash and cash equivalents comprises cash in hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

1.11 Financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.13 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Income Statement at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Income Statement in the same period as the related expenditure.

1. Accounting policies (continued)

1.14 Foreign currency translation

Functional and presentation currency

The group and company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

1.15 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.16 Pensions

Defined contribution pension scheme

The group operates two defined contribution schemes for its employees and a self administered pension scheme. The group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the schemes are held separately from the group in independently administered funds.

The group also operates a stakeholder pension scheme but does not pay contributions to it.

1.17 Borrowing costs

All borrowing costs are recognised in the Income Statement in the period in which they are incurred.

1. Accounting policies (continued)

1.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income Statement in the year that the group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

1.19 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the group's accounting policies

The critical judgements that the directors have made in the process of applying the group's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are detailed below:

Assessing indicators of impairment
In assessing whether there have been any indicators of impaired assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings, and experience of recoverability.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are detailed below:

Determining the stock provision
Management undertake an assessment of which stocks are no longer economically feasible, based on seasonal and consumer performance, before allocating the necessary provisions to bring the stock valuation in line with the accounting policy stated above.

Recoverability of receivables
The group establish a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the ageing of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

Determining residual values and useful economic lives of tangible fixed assets
The group depreciate tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by management when determining the residual values for plant, machinery and equipment. When determining the residual value, management aim to assess the amount that the group would currently obtain for the disposal of the asset if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3. Turnover

The whole of the turnover is attributable to manufacturing, wholesaling and retailing of soft furnishings and related items.

Analysis of turnover by country of destination:

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
United Kingdom	14,776,102	17,348,972
Rest of Europe	355,916	455,131
Rest of the world	73,130	115,170
	15,205,148	17,919,273

4. Other operating income

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Government grants receivable	3,960	8,520

5. Operating loss

The operating loss is stated after charging:

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Depreciation of tangible fixed assets	184,162	315,795
Amortisation of intangible assets, including goodwill	-	1,111
Exchange differences	(36,413)	6,637
Other operating lease rentals	226,023	279,146
(Profit)/loss on disposal of tangible and intangible assets	(5,958)	951

6. Auditors' remuneration

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Audit of parent company financial statements	28,975	40,710
Fees payable to the group's auditor and its associates in respect of:		
Audit of subsidiary pursuant to legislation	14,250	12,750
Tax compliance services	7,600	8,345
All other non-audit services	18,995	27,295
	40,845	48,390

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group Period from 29 January 2017 to 27 January 2018 £	Group Period from 31 January 2016 to 28 January 2017 £	Company Period from 29 January 2017 to 27 January 2018 £	Company Period from 31 January 2016 to 28 January 2017 £
Wages and salaries	4,386,140	5,106,408	3,959,078	4,146,720
Social security costs	349,681	397,421	319,118	329,823
Cost of defined contribution scheme	179,481	210,347	175,668	204,552
	4,915,302	5,714,176	4,453,864	4,681,095

The average monthly number of employees, including the directors, during the period was as follows:

	Period from 29 January 2017 to 27 January 2018 No.	Period from 31 January 2016 to 28 January 2017 No.
Production staff	98	122
Distribution staff	5	9
Administrative staff	84	90
Retail staff	44	76
	231	297

8. Directors' remuneration

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Directors' emoluments	327,663	326,906
Company contributions to defined contribution pension schemes	39,505	61,087
	367,168	387,993

During the period retirement benefits were accruing to 3 directors (2017: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £102,825 (2017: £108,252).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £17,748 (2017: £39,610).

9. Interest payable and similar expenses

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Bank interest payable	7,714	7,391
Other loan interest payable	32,577	50,271
Finance leases and hire purchase contracts	2,669	3,241
Other interest payable	-	42,338
	42,960	103,241

10. Taxation

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Deferred tax		
Origination and reversal of timing differences	(21,867)	(25,755)
Adjustment in respect of prior years	-	(55,504)
Total deferred tax	(21,867)	(81,259)
Taxation on loss on ordinary activities	(21,867)	(81,259)

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 20%). The differences are explained below:

	Period from 29 January 2017 to 27 January 2018 £	Period from 31 January 2016 to 28 January 2017 £
Profit on ordinary activities before tax	(413,077)	(167,012)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%)	(78,485)	(33,403)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	920	1,872
Adjustments to tax charge in respect of prior periods	-	(55,504)
Other timing differences leading to a (decrease) / increase in taxation	(2,873)	5,776
Unrelieved tax losses not recognised in deferred tax	55,428	-
Other differences leading to an increase in the tax charge	3,143	-
Total tax charge for the period	(21,867)	(81,259)

Factors that may affect future tax charges

UK corporation tax rates are to reduce to 17% from 1 April 2020.

11. Parent company profit for the year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent company for the period was £241,498 (2017: profit £393,402).

12. Tangible fixed assets

Group

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation						
At 29 January 2017	450,000	1,705,695	62,501	1,174,788	1,136,276	4,529,260
Additions	-	23,739	60,456	6,203	-	90,398
Disposals	-	(24,286)	(21,290)	(90,046)	(623,679)	(759,301)
At 27 January 2018	450,000	1,705,148	101,667	1,090,945	512,597	3,860,357
Depreciation						
At 29 January 2017	27,000	1,455,789	34,580	1,000,192	1,070,580	3,588,141
Charge for the period on owned assets	9,000	47,038	22,395	67,723	38,006	184,162
Disposals	-	(24,286)	(21,290)	(90,046)	(623,679)	(759,301)
At 27 January 2018	36,000	1,478,541	35,685	977,869	484,907	3,013,002
Net book value						
At 27 January 2018	414,000	226,607	65,982	113,076	27,690	847,355
At 28 January 2017	423,000	249,906	27,921	174,596	65,696	941,119

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	27 January 2018 £	28 January 2017 £
Plant and machinery	54,280	81,505

12. Tangible fixed assets (continued)

Company

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation						
At 29 January 2017	450,000	1,698,635	62,501	1,035,752	1,124,911	4,371,799
Additions	-	23,739	60,456	-	-	84,195
Disposals	-	(21,751)	(21,290)	-	(623,679)	(666,720)
At 27 January 2018	450,000	1,700,623	101,667	1,035,752	501,232	3,789,274
Depreciation						
At 29 January 2017	27,000	1,452,487	34,580	884,354	1,065,613	3,464,034
Charge for the period on owned assets	9,000	43,280	22,395	52,440	35,450	162,565
Disposals	-	(21,751)	(21,290)	-	(623,679)	(666,720)
At 27 January 2018	36,000	1,474,016	35,685	936,794	477,384	2,959,879
Net book value						
At 27 January 2018	414,000	226,607	65,982	98,958	23,848	829,395
At 28 January 2017	423,000	246,148	27,921	151,398	59,298	907,765

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	27 January 2018 £	28 January 2017 £
Plant and machinery	54,280	81,505

13. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Montgomery Interiors Limited	Ordinary	100 %	Retailing of made to measure curtains, ready made curtains and accessories

The company also has investments in Q Designs (Fabrics) Limited and Whiteheads Fabrics Limited which are valued at £NIL. Q Designs (Fabrics) Limited and Whiteheads Fabrics Limited are dormant companies each with aggregate capital and reserves of £1 (2017: £1).

Company

	Investments in subsidiary companies £
Cost or valuation	
At 29 January 2017	1
At 27 January 2018	1

14. Stocks

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Raw materials and consumables	1,995,345	2,307,942	1,995,345	2,307,942
Work in progress	86,049	130,108	86,049	130,108
Finished goods and goods for resale	1,028,942	1,107,864	935,352	873,354
	3,110,336	3,545,914	3,016,746	3,311,404

During the period, stock and stock impairments recognised in cost of sales as an expense was £5,224,944 (2017: £6,373,854) for the group and £5,226,656 (2017: £6,317,829) for the company.

Impaired stocks at 27 January 2018 were £809,457 (2017: £826,245) for the group and £793,838 (2017: £784,138) for the company which are recognised in cost of sales as an expense. The impairment arose as a result of the accounting policy to impair obsolete and slow moving stock items.

15. Debtors

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Trade debtors	1,445,438	1,677,597	1,210,614	1,346,419
Amounts owed by group undertakings	-	-	1,264,981	1,380,677
Other debtors	45,061	18,341	45,061	18,341
Prepayments and accrued income	169,733	126,467	169,333	126,467
Deferred taxation	25,271	3,404	14,002	-
	1,685,503	1,825,809	2,703,991	2,871,904

Included in amounts owed by group undertakings for the parent company are two formal loans due from the subsidiary company, Montgomery Interiors Limited, totalling £126,240 and £172,500 respectively. Although the loans are repayable monthly with final installments due in January 2020 and January 2021, the terms state that in any event the loans are repayable on demand and they are therefore classified as falling due in less than one year. Interest is payable at a fixed rate of 5% calculated over the life of the loans but charged equally across the periods until the final repayment dates.

16. Cash and cash equivalents

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Cash at bank and in hand	24,881	75,422	5,455	10,537
Less: bank overdrafts	(472,539)	(408,650)	(472,539)	(408,650)
	(447,658)	(333,228)	(467,084)	(398,113)

17. Creditors: Amounts falling due within one year

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Bank overdrafts	472,539	408,650	472,539	408,650
Other loans	100,000	29,167	100,000	29,167
Trade creditors	710,991	961,034	640,166	846,206
Other taxation and social security	502,246	463,666	411,734	439,381
Obligations under finance lease and hire purchase contracts	13,787	23,048	13,787	23,048
Other creditors	544,030	1,012,368	519,060	948,692
Accruals and deferred income	246,607	366,042	210,891	317,970
	2,590,200	3,263,975	2,368,177	3,013,114

Group bank facilities are secured by way of a debenture dated 23 December 2013 and a legal charge over the freehold property at 22/26 Duke Street, St Helens.

An inter-company cross guarantee has been given to the bank covering Ena Shaw Limited and its subsidiary undertaking, Montgomery Interiors Limited, secured by a debenture dated 31 October 2016.

Included in creditors are Regional Growth Fund (RGF) grants totalling £28,420 received as a funding contribution towards expenditure on tangible fixed assets. The grants are credited to the Income Statement at the same rate as the depreciation to which the grant relates.

18. Creditors: Amounts falling due after more than one year

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Other loans	358,333	-	358,333	-
Net obligations under finance leases and hire purchase contracts	-	13,537	-	13,537
	358,333	13,537	358,333	13,537

19. Loans

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Amounts falling due within one year				
Other loans	100,000	29,167	100,000	29,167
Amounts falling due 1-2 years				
Other loans	100,000	-	100,000	-
Amounts falling due 2-5 years				
Other loans	258,333	-	258,333	-
	458,333	29,167	458,333	29,167

Other loans in Ena Shaw Limited comprise:

A loan payable to the former director J B Potter of £NIL (2017: £29,167) which attracts interest at a rate of 6% per annum. This loan was repaid in full in the period with the final installment paid in August 2017.

A loan payable to the director, J R Potter, of £458,333 (2017: £NIL), which attracts interest at a rate of 5% per annum. This loan is repayable by monthly installments with the final installment due in August 2022. The loan is secured by way of a debenture dated 13 September 2017.

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Within one year	13,787	23,048	13,787	23,048
Between 1-5 years	-	13,537	-	13,537
	13,787	36,585	13,787	36,585

21. Financial instruments

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	1,515,380	1,771,360	2,526,111	2,755,974
Financial liabilities				
Financial liabilities measured at amortised cost	(2,113,614)	(1,985,036)	(1,982,103)	(1,758,460)

Financial assets measured at amortised cost comprise cash at bank and in hand, amounts owed by group undertakings, trade debtors, and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, other loans, accruals and deferred income, and certain other creditors.

22. Deferred taxation

Group

	£
At beginning of year	3,404
Credited to profit or loss	21,867
At end of year	25,271

Company

	£
At beginning of year	(4,384)
Credited to profit or loss	18,386
At end of year	14,002

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Accelerated capital allowances	25,271	3,404	14,002	(4,384)

The group also has gross tax losses carried forward at 27 January 2018 of £555,439 which are not recognised as a deferred tax asset calculated at a rate of 17% of £94,425 due to the uncertainty of the timing of profits against which they can be relieved.

23. Share capital

	27 January 2018 £	28 January 2017 £
Allotted, called up and fully paid		
1,712 Ordinary 'C' shares of £1 each	1,712	1,712
7,142 Ordinary 'D' shares of £1 each	7,142	7,142
831 Ordinary 'E' shares of £1 each	831	831
12,487 Ordinary 'F' shares of £1 each	12,487	12,487
11,632 Ordinary 'I' shares of £1 each	11,632	11,632
	33,804	33,804

The company may declare or pay differing dividends on different classes of shares or pay a dividend on the shares of one or more class and not on the shares of other classes. No class of share ranks in priority to the others as regards dividends. The shares rank pari passu in other respects.

24. Reserves

Share premium account

This reserve represents the value that shares were purchased for above the nominal share value.

Revaluation reserve

This reserve represents the revaluation gain on freehold land and buildings less the annual transfers to the profit and loss reserve for the additional depreciation charged on the deemed cost (previously fair value) in comparison to the historical cost depreciation charge.

Capital redemption reserve

This reserve represents the value of the company's own shares that were repurchased.

Profit & loss account

This reserve includes all current and prior period retained profits and losses.

25. Contingent liabilities

The company has indemnified its Bankers to a maximum of £30,000 (2017: £60,000) for a guarantee given by the Bank to H.M. Revenue & Customs.

26. Pension commitments

During the year, pensions paid in respect of directors amounted to £39,505 (2017: £61,087) and pensions paid in respect of employees amounted to £139,976 (2017: £149,260). Contributions outstanding at the period end totalled £NIL (2017: £NIL).

27. Commitments under operating leases

At 27 January 2018 the group and the company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 27 January 2018 £	Group 28 January 2017 £	Company 27 January 2018 £	Company 28 January 2017 £
Not later than 1 year	226,851	234,730	226,851	234,730
Later than 1 year and not later than 5 years	107,500	322,500	107,500	322,500
	334,351	557,230	334,351	557,230

28. Related party transactions

The group has taken advantage of the exemption available under FRS 102 relating to the disclosure of related party transactions between group companies.

Included in creditors in note 17 are directors' current accounts due from the company of £318,885 (2017: £792,225). Directors' current accounts of £500,000 were converted into formal loan in the period (see note 19). Interest is charged on the current account balances on a yearly basis at 3% above bank base rate.

Included in debtors is a balance of £NIL (2017: £3,254) due from Mrs P L Potter's mother. Mrs P L Potter is a director of the company.

The group paid rent at a rate of £215,000 (2017: £215,000) in the period ended 27 January 2018 to the Ena Shaw Limited Retirement and Death Benefit Scheme. The beneficiaries of this scheme include a number of directors of Ena Shaw Limited.

The group is owed £2,430 (2017: £2,430) by Richard Barrie Limited, a company jointly owned by J R Potter (director). Richard Barrie Limited remains a dormant company.

The group is owed £2,707 (2017: £5,000) at the period end date by Joanna Potter, the daughter of the director J R Potter.

The group made purchases of £16,968 (2017: £17,808) in the period ended 27 January 2018 from Complete Picture Marketing, a company owned by the wife of the director R M W Potter. At the period end date the company owed Complete Picture Marketing £NIL (2017: £1,150).

No other transactions with related parties were undertaken such as are required to be disclosed under FRS 102.

29. Controlling party

The Group is under the control of the Potter family.