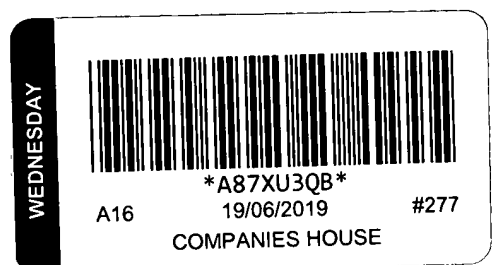


Strategic Report,  
Report of the Directors and  
Audited Financial Statements  
for the year ended  
31 December 2018  
for

JG Foods Limited  
Trading as  
Grape Tree



Contents of the Financial Statements  
for the year ended 31 December 2018

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JG Foods Limited  
Trading as Grape Tree

Company Information  
for the year ended 31 December 2018

**DIRECTORS:**

N J Shutts  
N G Morris

**REGISTERED OFFICE:**

Unit 2 Dandy Bank Road  
Pensnett Trading Estate  
Kingswinford  
West Midlands  
DY6 7TD

**REGISTERED NUMBER:**

08178714 (England and Wales)

**AUDITORS:**

Nicklin Audit Limited  
Chartered Accountants  
Statutory Auditors  
Church Court  
Stourbridge Road  
Halesowen  
West Midlands  
B63 3TT

Strategic Report  
for the year ended 31 December 2018

The directors present their strategic report for the year ended 31 December 2018.

**REVIEW OF BUSINESS**

The directors consider the profit achieved on ordinary activities before taxation to be satisfactory, with the gross profit percentage maintained at a satisfactory level during the year. The company has continued to develop its product range and open more stores around the country.

The accounts show a retained profit of £409,465. The net assets have increased to £2,303,359 from £1,893,994 at the previous year end.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Management continually monitor the key risks facing the company together with assessing the controls used for managing these risks. As the company trades in the UK and purchases goods mainly from the UK it is not materially exposed to foreign exchange risk. There are no other material exposures of the company relating to price risk, credit risk, liquidity risk and cash flow risk which are material for the assessment of the assets, liabilities, financial position and profit of the company.

**EMPLOYMENT POLICY**

The directors believe that it is important to develop good working relations by the use of clear channels of communication.

The company's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

Disabled persons receive appropriate training to promote their career development within the company. Employees who become disabled are retained in their existing posts where possible or retained for suitable alternative posts and provide retraining where necessary.

**KEY PERFORMANCE INDICATORS**

Turnover has increased from £23.47 million to £28.27 million with a further 16 shops being opened during the year.

**BREXIT**

As the UK's proposed departure from the EU at the end of March 2019 has now been delayed there is continued uncertainty over the trading arrangements between the UK and the EU. As noted above, the company does not purchase a material amount of goods directly from overseas, but many of its suppliers do purchase from the EU. Therefore there is a risk that the UK's departure from the EU could have a material adverse effect on the company's business operations due to delays obtaining goods or increased purchasing costs. However the directors will continue to monitor the situation and develop a plan to address the effects of Brexit.

**ON BEHALF OF THE BOARD:**

.....  
N J Shutts - Director

Date: 12/6/19 .....

JG Foods Limited (Registered number: 08178714)  
Trading as Grape Tree

Report of the Directors  
for the year ended 31 December 2018

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of a food retailer.

#### **DIVIDENDS**

An interim dividend of £10.00 per share was paid on 9 May 2018. The directors recommend a final dividend of £10.00 per share, making a total of £20.00 per share for the year ended 31 December 2018.

The total distribution of dividends for the year ended 31 December 2018 will be £200,000.

#### **FUTURE DEVELOPMENTS**

The company continues to review its product range and store operating costs to satisfy our customer requirements.

#### **DIRECTORS**

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

N J Shutts  
N G Morris

#### **GOING CONCERN**

The directors have prepared forecasts covering a period of at least 12 months from the date of signing these financial statements which demonstrate that the company is expected to trade profitably and generate cash. The company has net assets and good cash balances. Therefore, the directors, having a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, have prepared the financial statements on a going concern basis.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

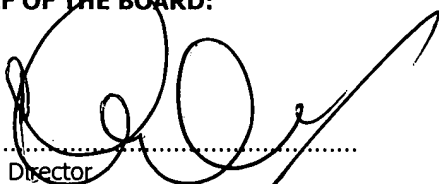
JG Foods Limited (Registered number: 08178714)  
Trading as Grape Tree

Report of the Directors  
for the year ended 31 December 2018

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, consisting of a large, stylized 'N' followed by a series of loops and a long, sweeping horizontal stroke extending to the right.

.....  
N J Shutts - Director

Date: 12/6/19 .....

### **Opinion**

We have audited the financial statements of JG Foods Limited (the 'company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of directors**

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

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **Use of our report**

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



M Howell FCA (Senior Statutory Auditor)  
for and on behalf of Nicklin Audit Limited  
Chartered Accountants  
Statutory Auditors  
Church Court  
Stourbridge Road  
Halesowen  
West Midlands  
B63 3TT

Date: ..... 12/16/19 .....



JG Foods Limited (Registered number: 08178714)  
Trading as Grape Tree

Statement of Comprehensive Income  
for the year ended 31 December 2018

	Notes	2018 £	2017 £
<b>TURNOVER</b>	4	28,270,526	23,468,611
Cost of sales		18,788,881	15,287,084
<b>GROSS PROFIT</b>		9,481,645	8,181,527
Distribution costs		649,935	555,854
Administrative expenses		7,949,543	6,606,710
		8,599,478	7,162,564
		882,167	1,018,963
Other operating income		7,500	1,148
<b>OPERATING PROFIT</b>	6	889,667	1,020,111
Interest receivable and similar income		1,976	377
		891,643	1,020,488
Interest payable and similar expenses	7	114,176	70,585
<b>PROFIT BEFORE TAXATION</b>		777,467	949,903
Tax on profit	8	168,002	192,195
<b>PROFIT FOR THE FINANCIAL YEAR</b>		609,465	757,708

The notes form part of these financial statements

Balance Sheet  
31 December 2018

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	10	2,758,548	2,350,661
<b>CURRENT ASSETS</b>			
Stocks	11	3,932,413	3,015,995
Debtors	12	1,815,118	1,412,670
Cash at bank and in hand		710,623	773,863
		<u>6,458,154</u>	<u>5,202,528</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	<u>5,165,820</u>	<u>4,026,325</u>
<b>NET CURRENT ASSETS</b>		<u>1,292,334</u>	<u>1,176,203</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,050,882</u>	<u>3,526,864</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(1,375,751)	(1,137,659)
<b>PROVISIONS FOR LIABILITIES</b>	17	<u>(371,672)</u>	<u>(495,211)</u>
<b>NET ASSETS</b>		<u><u>2,303,459</u></u>	<u><u>1,893,994</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	100	100
Retained earnings	19	<u>2,303,359</u>	<u>1,893,894</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u>2,303,459</u></u>	<u><u>1,893,994</u></u>

The financial statements were approved and authorised for issue by the Board of Directors on 12/1/19 and were signed on its behalf by:

  
N J Shutts Director

JG Foods Limited (Registered number: 08178714)  
Trading as Grape Tree

Statement of Changes in Equity  
for the year ended 31 December 2018

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2017</b>	100	1,206,186	1,206,286
<b>Changes in equity</b>			
Dividends	-	(70,000)	(70,000)
Total comprehensive income	-	757,708	757,708
<b>Balance at 31 December 2017</b>	100	1,893,894	1,893,994
<b>Changes in equity</b>			
Dividends	-	(200,000)	(200,000)
Total comprehensive income	-	609,465	609,465
<b>Balance at 31 December 2018</b>	100	2,303,359	2,303,459

The notes form part of these financial statements

JG Foods Limited (Registered number: 08178714)  
Trading as Grape Tree

Cash Flow Statement  
for the year ended 31 December 2018

	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,019,152	774,932
Interest paid		(3,989)	(12,669)
Interest element of hire purchase payments paid		(110,187)	(57,916)
Tax paid		(181,914)	(141,251)
Net cash from operating activities		<u>723,062</u>	<u>563,096</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(224,125)	(298,007)
Sale of tangible fixed assets		2,177	-
Interest received		1,976	377
Net cash from investing activities		<u>(219,972)</u>	<u>(297,630)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(389,984)	(248,770)
Amount withdrawn by directors		23,654	(112,555)
Equity dividends paid		(200,000)	(70,000)
Net cash from financing activities		<u>(566,330)</u>	<u>(431,325)</u>
<b>Decrease in cash and cash equivalents</b>		<u>(63,240)</u>	<u>(165,859)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	773,863	939,722
<b>Cash and cash equivalents at end of year</b>	2	<u><u>710,623</u></u>	<u><u>773,863</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the year ended 31 December 2018

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

	2018	2017
	£	£
Profit before taxation	777,467	949,903
Depreciation charges	508,234	389,674
Loss on disposal of fixed assets	20,741	2,127
Movement in provisions	(132,963)	121,675
Finance costs	114,176	70,585
Finance income	(1,976)	(377)
	<u>1,285,679</u>	<u>1,533,587</u>
Increase in stocks	(916,418)	(942,890)
Increase in trade and other debtors	(402,448)	(220,839)
Increase in trade and other creditors	<u>1,052,339</u>	<u>405,074</u>
<b>Cash generated from operations</b>	<u><u>1,019,152</u></u>	<u><u>774,932</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2018**

	31.12.18	1.1.18
	£	£
Cash and cash equivalents	<u><u>710,623</u></u>	<u><u>773,863</u></u>

**Year ended 31 December 2017**

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	<u><u>773,863</u></u>	<u><u>939,722</u></u>

1. **STATUTORY INFORMATION**

JG Foods Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer. This is usually at the point that the customer has purchased goods in the company's retail stores.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Short leasehold	- 20% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost and 10% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 25% on cost

**Stocks**

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

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

### 3. ACCOUNTING POLICIES - continued

#### Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

#### Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

#### Going concern

The directors have prepared forecasts covering a period of at least 12 months from the date of signing these financial statements which demonstrate that the company is expected to trade profitably and generate cash. The company has net assets and good cash balances. Therefore, the directors, having a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, have prepared the financial statements on a going concern basis.

### 4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

Turnover is made up entirely of the sale of goods for the current and preceding year.

### 5. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	4,936,091	3,968,357
Social security costs	211,363	161,232
Other pension costs	28,631	9,311
	<u>5,176,085</u>	<u>4,138,900</u>

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

	2018	2017
Staff	<u>499</u>	<u>425</u>
	2018	2017
	£	£
Directors' remuneration	<u>120,296</u>	<u>27,777</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

**6. OPERATING PROFIT**

The operating profit is stated after charging:

	2018 £	2017 £
Other operating leases	3,509,854	3,065,676
Depreciation - owned assets	356,567	282,183
Depreciation - assets on hire purchase contracts	151,665	107,491
Loss on disposal of fixed assets	20,741	2,127
Auditors' remuneration	9,800	5,282
Foreign exchange differences	6,587	9,481
	<u>7,054,234</u>	<u>6,552,639</u>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2018 £	2017 £
Loan	3,989	12,669
Hire purchase	110,187	57,916
	<u>114,176</u>	<u>70,585</u>

**8. TAXATION**

**Analysis of the tax charge**

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

	2018 £	2017 £
Current tax:		
UK corporation tax	158,584	181,920
Taxation earlier years	(6)	2,973
Total current tax	<u>158,578</u>	<u>184,893</u>
Deferred tax	<u>9,424</u>	<u>7,302</u>
Tax on profit	<u>168,002</u>	<u>192,195</u>

**Reconciliation of total tax charge included in profit and loss**

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

	2018 £	2017 £
Profit before tax	<u>777,467</u>	<u>949,903</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19%)	147,719	180,482
Effects of:		
Expenses not deductible for tax purposes	-	789
Depreciation in excess of capital allowances	20,289	16,380
Adjustments to tax charge in respect of previous periods	(6)	2,973
Change in tax rate	-	(8,429)
Total tax charge	<u>168,002</u>	<u>192,195</u>



Notes to the Financial Statements - continued  
for the year ended 31 December 2018

9. **DIVIDENDS**

	2018 £	2017 £
Ordinary shares of 1p each		
Final	100,000	-
Interim	100,000	70,000
	<u>200,000</u>	<u>70,000</u>

10. **TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 January 2018	491,441	424,926	2,237,659
Additions	141,021	118,924	571,739
Disposals	(15,881)	(14,613)	(1,380)
At 31 December 2018	<u>616,581</u>	<u>529,237</u>	<u>2,808,018</u>
<b>DEPRECIATION</b>			
At 1 January 2018	225,967	166,087	501,913
Charge for year	101,912	96,302	254,197
Eliminated on disposal	(11,001)	(9,450)	(333)
At 31 December 2018	<u>316,878</u>	<u>252,939</u>	<u>755,777</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>299,703</u>	<u>276,298</u>	<u>2,052,241</u>
At 31 December 2017	<u>265,474</u>	<u>258,839</u>	<u>1,735,746</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2018	48,204	243,819	3,446,049
Additions	42,923	64,433	939,040
Disposals	(31,789)	(3,173)	(66,836)
At 31 December 2018	<u>59,338</u>	<u>305,079</u>	<u>4,318,253</u>
<b>DEPRECIATION</b>			
At 1 January 2018	27,664	173,757	1,095,388
Charge for year	12,979	42,842	508,232
Eliminated on disposal	(19,958)	(3,173)	(43,915)
At 31 December 2018	<u>20,685</u>	<u>213,426</u>	<u>1,559,705</u>
<b>NET BOOK VALUE</b>			
At 31 December 2018	<u>38,653</u>	<u>91,653</u>	<u>2,758,548</u>
At 31 December 2017	<u>20,540</u>	<u>70,062</u>	<u>2,350,661</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

10. **TANGIBLE FIXED ASSETS - continued**

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

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2018	328,949	874,338	48,204	1,251,491
Additions	82,621	527,786	42,923	653,330
Disposals	-	-	(31,789)	(31,789)
Transfer to ownership	(211,899)	(188,334)	(16,415)	(416,648)
At 31 December 2018	199,671	1,213,790	42,923	1,456,384
<b>DEPRECIATION</b>				
At 1 January 2018	143,134	92,110	27,664	262,908
Charge for year	32,385	109,584	9,696	151,665
Eliminated on disposal	-	-	(19,958)	(19,958)
Transfer to ownership	(137,282)	(48,327)	(8,481)	(194,090)
At 31 December 2018	38,237	153,367	8,921	200,525
<b>NET BOOK VALUE</b>				
At 31 December 2018	161,434	1,060,423	34,002	1,255,859
At 31 December 2017	185,815	782,228	20,540	988,583

11. **STOCKS**

	2018 £	2017 £
Stocks	3,932,413	3,015,995

12. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade debtors	17,020	8,601
Other debtors	383,981	244,363
VAT	122,423	75,099
Prepayments	1,291,694	1,084,607
	1,815,118	1,412,670

13. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Hire purchase contracts (see note 15)	479,714	276,357
Trade creditors	3,727,196	2,899,242
Tax	158,584	181,920
Social security and other taxes	94,439	64,746
Other creditors	207,405	190,422
Directors' current accounts	110,747	87,094
Accrued expenses	387,735	326,544
	5,165,820	4,026,325

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2018 £	2017 £
Hire purchase contracts (see note 15)	523,360	401,786
Other creditors	852,391	735,873
	<u>1,375,751</u>	<u>1,137,659</u>

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts 2018 £	2017 £
Gross obligations repayable:		
Within one year	547,580	345,260
Between one and five years	609,939	447,520
	<u>1,157,519</u>	<u>792,780</u>

Finance charges repayable:		
Within one year	67,866	68,903
Between one and five years	86,579	45,734
	<u>154,445</u>	<u>114,637</u>

Net obligations repayable:		
Within one year	479,714	276,357
Between one and five years	523,360	401,786
	<u>1,003,074</u>	<u>678,143</u>

	Non-cancellable operating leases 2018 £	2017 £
Within one year	3,307,219	2,453,227
Between one and five years	5,255,626	5,030,966
In more than five years	346,532	507,873
	<u>8,909,377</u>	<u>7,992,066</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	2018 £	2017 £
Hire purchase contracts	<u>1,003,074</u>	<u>678,143</u>

Hire purchase liabilities are secured on the items to which they relate.

Notes to the Financial Statements - continued  
for the year ended 31 December 2018

**17. PROVISIONS FOR LIABILITIES**

	2018 £	2017 £
Deferred tax	231,934	222,510
Other provisions	139,738	272,701
	<u>371,672</u>	<u>495,211</u>
	Deferred tax £	Other provisions £
Balance at 1 January 2018	222,510	272,701
Charge/(credit) to Statement of Comprehensive Income during year	9,424	(132,963)
	<u>231,934</u>	<u>139,738</u>
Balance at 31 December 2018		

Other provisions relate to £133,792 in respect of the expected cost of dilapidations on retail stores and £5,945 in respect of provisions for onerous contracts.

The company is committed to carry out dilapidations in respect of certain of its retail stores under the terms of the leases. A provision has been made based on the average cost incurred in previous years.

The onerous contract provision relates to the least net cost of exiting from the leases of several retail stores.

**18. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2018 £	2017 £
10,000	Ordinary	1p	<u>100</u>	<u>100</u>

**19. RESERVES**

	Retained earnings £
At 1 January 2018	1,893,894
Profit for the year	609,465
Dividends	(200,000)
	<u>2,303,359</u>
At 31 December 2018	

**20. PENSION COMMITMENTS**

At the balance sheet date there were outstanding pension contributions of £6,468 (2017 - £2,187).

**21. RELATED PARTY DISCLOSURES**

At the balance sheet date, the directors were owed £110,748 (2017 - £87,094). During the year the directors were paid interest of £30,700 (2017 - £5,000). Interest on directors loans is accrued at 10% per annum on the capital amount of the loan. During the year interest accrued on directors loans amounting to £3,989 (2017 - £12,669). The total amount of interest accrued at the balance sheet date was £940 (2017 - £27,650).

During the year, a total of key management personnel compensation of £334,580 (2017 - £99,358) was paid.

**22. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is N J Shutts.