Registration number: 00316088

H.Evans & Sons Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2017

H.Evans & Sons Limited

Contents

H.Evans & Sons Limited

Company Information

Directors	Mr K Baker Mr R T Evans Mr JS Evans Mr A R B Evans
Company secretary	Mr R T Evans
Registered office	Ruxley Manor Nursery Maidstone Road SIDCUP Kent DA14 5BQ
Solicitors	Woolsey Morris & Kennedy 100 Station Road SIDCUP Kent DA15 7DT
Bankers	HSBC Bank Plc 83 High Street Sidcup Kent DA14 6DN
Auditors	McBrides Accountants LLP Nexus House Cray Road Sidcup Kent DA14 5DA

H.Evans & Sons Limited

Strategic Report for the Year Ended 31 December 2017

The directors present their strategic report for the year ended 31 December 2017.

Principal activity
The principal activity of H Evans & Sons Limited (the Company) during the year was that of a holding company for a Group of businesses working within Garden Centre retailing and also within education through the operation of a private children's day nursery.

In addition the Company operates a property portfolio comprised of a small number of commercial and residential properties.

Fair review of the business
The core business of the Company is the provision of management and administrative services to the other companies within the Group. The services provided include the ongoing delivery of a payroll, accounting, treasury and general administrative function as well as support to those companies in a variety of one-off projects. The level of management charges made for those services provided during 2017 remained static as the need to increase charges was offset by the continued improvement in operational efficiency.

The other main revenue stream of the Company is from the rental of both commercial and residential properties. Commercial rental income rose by 12% in 2017 due partly to an increase in rent from turnover related lettings but also due to the difference in full year rent from a newly refurbished property that was only first let in late 2016.

Residential revenues have also increased from the levels of 2016. As tenants have changed or agreements have come up for renewal, rent increases have been put in place to more accurately reflect current market rentals. It continues to be the company's policy that it will maintain its property portfolio to the highest possible standard consistent with the revenue generated by those properties.

The Directors have considered the valuation of the investment property portfolio now currently carried within the accounts and believe that it represents a true reflection of the portfolio's market valuation as at the 31 December 2017.

RETAIL OPERATIONS

Our retail activity is operated from a single Garden Centre site and consists of the retail sale of garden supplies, furniture and leisure products. We also have an extensive food and beverage offering and run a significant events programme throughout the year all designed to make our garden centre a true destination shopping and leisure experience.

H.Evans & Sons Limited

Strategic Report for the Year Ended 31 December 2017

Retail Sales

Retail performance in 2017 was one of the strongest over the last few years with retail sales increasing by almost 15% in the full year. The significant investment made in our retailing infrastructure during 2016 has been well received by our customers and the effect on our trade has met our expectations.

The first quarter performance was very good with improvements in all of the key indicators with the most pleasing being a rise in gross profit margin of 3 percentage points compared to 2016. This trend continued throughout the Spring season helped by some better weather than that of the previous year. Quarter three performance in real terms was slightly disappointing although in comparative terms due to the 2016 refurbishment works it was a successful trading period. The last quarter was exceptional in terms of turnover as we were able to take full advantage of the improvement in showroom facilities particularly with our Christmas trading. This coupled with the introduction of new Christmas ranges enabled us to have one of our best ever Christmas trading periods.

The year finished with not only an increase in turnover but customer numbers were above both last year and target with the average spend continuing to increase year on year. Pressure on margins continued throughout the year but due to improvements in our buying process and product ranging we managed to actually increase margin slightly over both last year and our 2017 target. Whilst every sector of the business improved in the year we saw greater growth in both turnover and margin in our Lifestyle area than the average due to the 2016 infrastructure improvements.

Food and Catering Sales

The Food Hall is now an established part of the Ruxley brand with a regular customer base returning to shop on a weekly basis supplemented with other people shopping specifically for the higher end products that we have introduced into our range. Turnover, margin and average basket size all improved during 2017. Emphasise had been placed during the year on both increasing our average customer spend and reducing waste so it is particularly pleasing to see the success in that strategy demonstrated by the improvements in those key indicators.

The improvement in the profitability of our catering offering, the Mulberry Tree Restaurant, continued in the year with its contribution to company profits increasing significantly. It has proved difficult to increase margin significantly but due to the ongoing improvement in our menu and value offers turnover has risen by 12% with costs being very strictly controlled.

Leisure

A new major event, Pixie Manor, was introduced into our events programme for the first time in 2017. This proved very successful and helped towards an increase in events turnover of over 20% in the year. Once again ticket sales for all of our major activities were at or above expectations with net income from this revenue stream increasing by over 26% in the year.

CHILDCARE OPERATIONS

A new 73 place setting was opened in March of 2017 based in South East London to add to the existing site at Ruxley Manor. The new building was originally a small specialist school in a converted house and required substantial redevelopment to bring it up to the standard of our other nursery. The Ruxley setting operates from two buildings located on the same site. The first is a 17th Century Manor House in which we accommodate the older children whilst the other building is a more modern setting that is used for the younger children. Overall capacity across all sites has now been increased to 193 children.

The nursery is regulated by OFSTED and was last inspected in early 2013. The Directors of the Company are very proud to say that after that inspection, the second since opening, we were again been awarded "Outstanding" status.

The results for 2017 were mixed. The performance of the Ruxley setting showed a good improvement over 2016 with an increase of over 40% in contribution to the profits of the Childcare Division. This was achieved through a small increase in fee rates along with higher occupancy levels and strict control on costs. Unfortunately the new setting has not been as successful. It has proven very difficult to recruit the right calibre and the right numbers of staff to work in the setting. Recruitment within the childcare sector is going through a very bad time with all nurseries suffering from a shortage of skilled staff. This has impacted greatly on our ability to take in children, despite heavy demand for places, as there is a requirement to maintain the staff to pupil ratio necessary for a high standard nursery. We have not yet reached break even in terms of capacity due to this and consequently the site is running at a loss. We are working very hard to turn this around by looking at various recruitment methods as demand for places is not the issue.

KEY PERFORMANCE INDICATORS

Due to the diverse nature of the Group's operations there are various key performance indicators that the Board utilise to measure the effectiveness and success of each individual business and the Group as a whole.

Each business in the Group is firstly measured against target levels of: -

1) Profit for the period, and

2) Net cash flow from operations

Then within the different operational areas there are additional sector appropriate measures as follows: -

Retail Operations

1) Gross Margin Percentage

2) Footfall

3) Average Spend per Customer

Childcare Operations

1) Occupancy Levels

When measuring the performance of the Group against those key performance indicators the Directors consider that both the results for the year and the position of the company as at the year-end are satisfactory.

H.Evans & Sons Limited

Strategic Report for the Year Ended 31 December 2017

Principal risks and uncertainties
The Directors have considered the implications of risk to the Group and feel that other than the normal commercial risks involved in running a business there are no specific risks that have to be considered.

For those commercial risks that are insurable the company maintains adequate insurance cover and meets regularly with its advisor to ensure that this is always kept up to date. For all other risks the Directors consider that the Group's internal procedures are adequate to both identify risk and to minimise the Group's exposure to that risk wherever possible.

The Group operates a treasury function that is responsible for managing the liquidity, interest and foreign currency risks associated with its activities. The Group's principal financial instruments are financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations. In accordance with the Group's treasury policy, derivative instruments are not entered into for speculative purposes. The Group manages its cash and borrowing requirements in order to maximise total interest income and to minimise interest expense, whilst ensuring it has sufficient liquid resources to meet the operating needs of the business.

The Group's principal foreign currency exposures arise from trading with overseas companies. Investments of cash surpluses and borrowings are made through banks and institutions that must fulfil credit rating criteria approved by the Board. All customers who wish to trade on credit terms are subject to credit verification procedures and trade debtors are reviewed on a regular basis and provision made for doubtful debts when necessary.

Approved by the Board on 8\10\18...... and signed on its behalf by:

Kevin Baker

Mr K Baker
Director

H.Evans & Sons Limited

Directors' Report for the Year Ended 31 December 2017

The directors present their report and the for the year ended 31 December 2017.

Directors of the group
The directors who held office during the year were as follows:

Mr K Baker

Mr R T Evans - Company secretary and director

Mr JS Evans

Mr A R B Evans

Financial instruments

Objectives and policies, price risk, credit risk, liquidity risk and cash flow risk

The Group operates a treasury function that is responsible for managing the liquidity, interest and foreign currency risks associated with its activities. The Group's principal financial instruments are financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations. In accordance with the Group's treasury policy, derivative instruments are not entered into for speculative purposes. The Group manages its cash and borrowing requirements in order to maximise total interest income and to minimise interest expense, whilst ensuring it has sufficient liquid resources to meet the operating needs of the business.

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Employment of disabled persons
The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

H.Evans & Sons Limited

Directors' Report for the Year Ended 31 December 2017

Future developments

Having seen the positive impact on the business from last year's refurbishment programme the Directors have decided that the last area of our retail showroom that has not been improved will now also be refurbished. As previously the timing of these works is critical and the schedule of works have therefore been planned to minimise the impact on trade. Works have already started and are due to be completed at the end of the second week of October. There will be some detrimental effect on turnover during the period of the works but this has been minimised by changes in retail operations during that period and should be offset by the positive impact of the works going forward.

Further works were undertaken in early 2018 within the Mulberry Tree to improve our customer's experience. This is the first major refurbishment of the restaurant since it opened.

The Food Hall will also undergo a major facelift with a view to continuing to improve our ability to provide customers with the best food offering that we can. We will be taking the delicatessen offering under own control and a new specialist butcher will be in place from October 2018.

The Board are confident that the business and our customers will both benefit greatly from these investments, and they it will further strengthen our position to take advantage of the great opportunities that exist in our steadily expanding market place.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 8\10\18 and signed on its behalf by:

Mr K Baker
Director

H.Evans & Sons Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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.

Independent Auditor's Report to the Members of H.Evans & Sons Limited

Opinion
We have audited the financial statements of H.Evans & Sons Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2017, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's 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.

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

Matters on which we are required to report by exception
In the light of our 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 and the Directors' Report.

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

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

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities (set out on page 8), 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 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.

McBrides Accountants LLP

Andrew Warren (Senior Statutory Auditor)
For and on behalf of McBrides Accountants LLP, Statutory Auditor

Nexus House
Cray Road
Sidcup
Kent
DA14 5DA

Date: 9/10/18

H.Evans & Sons Limited

Consolidated Profit and Loss Account for the Year Ended 31 December 2017

	Note	2017 £	2016 £
Turnover	3	13,801,515	11,885,043
Cost of sales		(6,519,415)	(5,638,760)
Gross profit		7,282,100	6,246,283
Distribution costs		(3,010,790)	(2,745,489)
Administrative expenses		(3,639,200)	(3,217,463)
Other operating income	4	368,412	307,880
Operating profit		1,000,522	591,211
Fair value gains on investment properties		237,540	426,454
Other interest receivable and similar income	5	13	19
Interest payable and similar charges	6	(64,932)	(49,966)
Profit before tax		1,173,143	967,718
Taxation	10	(342,749)	(204,790)
Profit for the financial year		830,394	762,928

The notes on pages 19 to 37 form an integral part of these financial statements.

H.Evans & Sons Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2017

	2017 £	2016 £
Profit for the year	830,394	762,928
Total comprehensive income for the year	830,394	762,928

H.Evans & Sons Limited

(Registration number: 00316088)
Consolidated Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	11	10,195,335	10,539,717
Investment property	12	4,672,810	4,435,270
		14,868,145	14,974,987
Current assets			
Stocks	14	946,079	852,211
Debtors	15	1,176,773	1,270,145
Cash at bank and in hand		3,021,297	1,841,366
		5,144,149	3,963,722
Creditors: Amounts falling due within one year	17	(2,758,065)	(2,350,135)
Net current assets		2,386,084	1,613,587
Total assets less current liabilities		17,254,229	16,588,574
Creditors: Amounts falling due after more than one year	17	(1,495,984)	(1,777,163)
Provisions for liabilities	10	(1,506,340)	(1,389,900)
Net assets		14,251,905	13,421,511
Capital and reserves			
Called up share capital	19	1,803,010	1,803,010
Capital redemption reserve		3,530	3,530
Revaluation reserve		3,013,118	3,013,118
Retained earnings	20	9,432,247	8,601,853
Total equity		14,251,905	13,421,511

Under the companies Act 2006, s454, on a voluntary basis, the directors can amend these financial statements if they subsequently prove to be defective.

Approved and authorised by the Board on 8\10\18 and signed on its behalf by:

Kevin Baker

Mr K Baker

Director

H.Evans & Sons Limited

(Registration number: 00316088)
Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	11	8,146,533	8,336,211
Investment property	12	4,672,810	4,435,270
Investments	13	1,494,970	1,494,970
		14,314,313	14,266,451
Current assets			
Debtors	15	729,729	976,269
Cash at bank and in hand		468,803	72,241
		1,198,532	1,048,510
Creditors: Amounts falling due within one year	17	(2,223,546)	(2,002,545)
Net current liabilities		(1,025,014)	(954,035)
Total assets less current liabilities		13,289,299	13,312,416
Creditors: Amounts falling due after more than one year	17	(1,495,984)	(1,777,163)
Provisions for liabilities	10	(1,400,421)	(1,250,721)
Net assets		10,392,894	10,284,532
Capital and reserves			
Called up share capital	19	1,803,010	1,803,010
Capital redemption reserve		3,530	3,530
Revaluation reserve		3,013,118	3,013,118
Retained earnings	20	5,573,236	5,464,874
Total equity		10,392,894	10,284,532

In accordance with section 408 of the Companies Act 2006, the individual parent company profit and loss account has been omitted from the group financial statements. The company made a profit after tax for the financial year of £108,362 (2016 - profit of £382,898).

Under the companies Act 2006, s454, on a voluntary basis, the directors can amend these financial statements if they subsequently prove to be defective.

Approved and authorised by the Board on 8/10/18 and signed on its behalf by:

Mr K Baker

Director

H.Evans & Sons Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2017

	Share capital	Capital redemption reserve	Revaluation reserve	Retained earnings	Total
	£	£	£	£	£
At 1 January 2017	1,803,010	3,530	3,013,118	8,601,853	13,421,511
Profit for the year	-	-	-	830,394	830,394
Total comprehensive income	-	-	-	830,394	830,394
At 31 December 2017	1,803,010	3,530	3,013,118	9,432,247	14,251,905

	Share capital	Capital redemption reserve	Revaluation reserve	Retained earnings	Total
	£	£	£	£	£
At 1 January 2016	1,803,010	3,530	3,013,118	7,838,925	12,658,583
Profit for the year	-	-	-	762,928	762,928
Total comprehensive income	-	-	-	762,928	762,928
At 31 December 2016	1,803,010	3,530	3,013,118	8,601,853	13,421,511

H.Evans & Sons Limited

Statement of Changes in Equity for the Year Ended 31 December 2017

	Share capital £	Capital redemption reserve £	Revaluation reserve £	Retained earnings £	Total £
At 1 January 2017	1,803,010	3,530	3,013,118	5,464,874	10,284,532
Profit for the year	-	-	-	108,362	108,362
Total comprehensive income	-	-	-	108,362	108,362
At 31 December 2017	1,803,010	3,530	3,013,118	5,573,236	10,392,894

	Share capital £	Capital redemption reserve £	Revaluation reserve £	Retained earnings £	Total £
At 1 January 2016	1,803,010	3,530	3,013,118	5,081,976	9,901,634
Profit for the year	-	-	-	382,898	382,898
Total comprehensive income	-	-	-	382,898	382,898
At 31 December 2016	1,803,010	3,530	3,013,118	5,464,874	10,284,532

The notes on pages 19 to 37 form an integral part of these financial statements.

H.Evans & Sons Limited

Consolidated Statement of Cash Flows for the Year Ended 31 December 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit for the year		830,394	762,928
Adjustments to cash flows from non-cash items			
Depreciation		663,489	546,669
Profit on disposal of property plant and equipment		(400)	-
Other (losses) / gains		(237,540)	(426,454)
Finance income	5	(13)	(19)
Finance costs	6	64,932	49,966
Corporation tax	10	342,749	204,790
		1,663,611	1,137,880
Working capital adjustments			
(Increase)/decrease in stock	14	(93,868)	95,662
Decrease in trade and other debtors	15	93,372	210,241
Increase/(decrease) in trade and other creditors	17	284,903	(426,895)
Cash generated from operations		1,948,018	1,016,888
Corporation tax paid	10	(111,472)	(233,878)
Net cash flow from operating activities		1,836,546	783,010
Cash flows from investing activities			
Interest received		13	19
Acquisitions of property plant and equipment		(319,107)	(2,362,181)
Proceeds from sale of property plant and equipment		400	-
Net cash flows from investing activities		(318,694)	(2,362,162)
Cash flows from financing activities			
Interest paid	6	(64,932)	(49,966)
Proceeds from bank borrowing draw downs		-	820,000
Repayment of bank borrowing		(272,989)	(222,565)
Net cash flows from financing activities		(337,921)	547,469
Net increase/(decrease) in cash and cash equivalents		1,179,931	(1,031,683)
Cash and cash equivalents at 1 January		1,841,366	2,873,049
Cash and cash equivalents at 31 December	16	3,021,297	1,841,366

1 General information

The company is incorporated and domiciled in United Kingdom.

The address of its registered office and principal place of business is:
Ruxley Manor Nursery
Maidstone Road
SIDCUP
Kent
DA14 5BQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions
The company has early adopted FRED 67: Amendments to FRS 102 - Triennial Review 2017 and has therefore elected to measure its investment properties used in the group at cost less depreciation and impairment instead of fair value.

Going concern
The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report and Strategic Report together with a summary of the key business risks the group faces. Despite the current uncertain economic outlook, the directors believe that the group is well placed to manage its business risks successfully, and to maintain positive cashflows for the foreseeable future. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2017.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the group's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historic experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

Revenue recognition
Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when:
- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity;
- and specific criteria have been met for each of the group's activities.

Foreign currency transactions and balances
Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred corporation tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the group. Deferred corporation tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold buildings	2% reducing balance
Buildings, office blocks and improvements	4% straight line
Plant and machinery	20% straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	25% reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by the directors with reference to external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Investments

Fixed asset investments are included in the balance sheet at historical cost less any diminution in value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade and other debtors
Trade and other debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. In such cases debtors are stated at transaction price less impairment losses. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the transaction.

Stock
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade and other creditors
Trade and other creditors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, except where the effect of discounting would be immaterial. In such cases creditors are stated at transaction price.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions
Provisions are recognised when the group has an obligation at the reporting date as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Rental income from operating leases (net of any incentives given to the lesees) is recognised on a straight-line basis over the lease term.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments
Classification
Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Financial assets are classified as financial assets at fair value through profit or loss, loans and debtors, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The group determines the classification of its financial assets at initial recognition.

Financial liabilities are classified as financial liabilities at fair value through profit and loss, loans and borrowings, trade and other creditors, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The group determines the classification of its financial liabilities at initial recognition.

Recognition and measurement
All financial instruments are recognised initially at fair value plus transaction costs. Thereafter financial instruments are stated at amortised cost using the effective interest rate method (less impairment where appropriate) unless the effect of discounting would be immaterial in which case they are stated at cost (less impairment where appropriate). The exception to this are those financial instruments where it is a requirement to continue recording them at fair value through profit and loss.

Impairment
Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2017 £	2016 £
Sale of goods	10,763,911	10,236,957
Rendering of services	3,037,604	1,648,086
	13,801,515	11,885,043

The analysis of the group's revenue for the year by class of business is as follows:

	2017 £	2016 £
Management and administration services	42,000	42,000
Garden centre activities	11,774,646	10,236,957
Private children's day nursery	1,984,869	1,606,086
	13,801,515	11,885,043

The analysis of the group's turnover for the year by market is as follows:

	2017 £	2016 £
UK	13,801,515	11,885,043

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2017 £	2016 £
Rental income	368,412	307,880

5 Other interest receivable and similar income

	2017 £	2016 £
Interest receivable	13	19

6 Interest payable and similar expenses

	2017 £	2016 £
Interest on bank overdrafts and borrowings	51,004	49,037
Interest expense on other finance liabilities	13,928	929
	64,932	49,966

H.Evans & Sons Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2017 £	2016 £
Wages and salaries	4,086,653	3,592,404
Social security costs	283,678	240,583
Pension costs, defined contribution scheme	54,848	59,447
	4,425,179	3,892,434

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

	2017 No.	2016 No.
Administration	14	16
Sales and distribution	187	180
Management	7	7
Security and garden	22	21
Nursery and childcare	50	42
	280	266

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	503,588	457,878
Contributions paid to money purchase schemes	19,859	36,152
	523,447	494,030

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	3	3

In respect of the highest paid director:

	2017 £	2016 £
Remuneration	155,814	147,031

9 Auditors' remuneration

	2017 £	2016 £
Audit of these financial statements	3,750	3,750

10 Tax

Tax charged/(credited) in the profit and loss account

	2017 £	2016 £
Current taxation		
UK corporation tax	234,840	142,703
UK corporation tax adjustment to prior periods	(8,531)	16,316
	226,309	159,019
Deferred taxation		
Arising from origination and reversal of timing differences	116,440	45,771
Tax expense in the profit and loss account	342,749	204,790

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2016 - higher) of 19% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Profit before tax	1,173,143	967,718
Corporation tax at standard rate	222,897	193,544
Effect of revenues exempt from taxation	(45,133)	(85,291)
Effect of expense not deductible in determining taxable profit (tax loss)	4,153	5,640
Effect of tax losses	-	(1,424)
Deferred tax movement	116,440	45,771
Change in tax rates	629	-
Tax increase (decrease) from effect of capital allowances and depreciation	50,399	28,522
Other timing differences	1,895	1,712
Adjustment for prior year	(8,531)	16,316
Total tax charge	342,749	204,790

H.Evans & Sons Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

Deferred tax

Group

Deferred tax assets and liabilities

2017	**Liability** **£**
Difference between accumulated depreciation and amortisation and capital allowances	273,667
Revaluation of property	1,232,673
	1,506,340

2016	**Liability** **£**
Difference between accumulated depreciation and amortisation and capital allowances	299,668
Revaluation of property	1,090,232
	1,389,900

Company

Deferred tax assets and liabilities

2017	**Liability** **£**
Difference between accumulated depreciation and amortisation and capital allowances	167,748
Revaluation of property	1,232,673
	1,400,421

2016	**Liability** **£**
Difference between accumulated depreciation and amortisation and capital allowances	160,489
Revaluation of property	1,090,232
	1,250,721

The UK Corporation tax rate was changed from 20% to 19%, effective from 1 April 2017. The deferred tax balance at 31 December 2017 is measured at the revised rate of 19%.

Based on current capital investment plans the group expects future timing differences between depreciation and capital allowances to remain at a similar level to the current year.

The Government announced in July 2015 its intention to reduce the UK corporation tax rate to 17% by 1 April 2020. The legislation dealing with this reduction in rates will be included in future Finance Acts.

11 Tangible assets

Group

	Freehold land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 January 2017	11,056,292	93,845	75,735	2,957,927	14,183,799
Additions	149,526	21,013	-	148,568	319,107
Disposals	-	-	-	(4,200)	(4,200)
At 31 December 2017	11,205,818	114,858	75,735	3,102,295	14,498,706
Depreciation					
At 1 January 2017	1,702,008	57,556	55,582	1,828,936	3,644,082
Charge for the year	290,976	15,028	4,499	352,986	663,489
Eliminated on disposal	-	-	-	(4,200)	(4,200)
At 31 December 2017	1,992,984	72,584	60,081	2,177,722	4,303,371
Carrying amount					
At 31 December 2017	9,212,834	42,274	15,654	924,573	10,195,335
At 31 December 2016	9,354,284	36,289	20,153	1,128,991	10,539,717

Revaluation

The fair value of the group's freehold buildings were revalued on 5 October 2013 by an independent valuer.

The group's freehold buildings were revalued by Caxtons, Chartered Surveyors on a fair value basis. This assessment of fair value was prepared in accordance with the Practice Statements in the RICS Valuation - Professional Standards 2014 including the International Valuation Standards.

This valuation has been taken as deemed cost on transition to FRS102.

Company

	Freehold land and buildings £	Other property, plant and equipment £	Total £
Cost or valuation			
At 1 January 2017	8,483,931	515,139	8,999,070
Additions	-	12,955	12,955
At 31 December 2017	8,483,931	528,094	9,012,025
Depreciation			
At 1 January 2017	448,580	214,279	662,859
Charge for the year	161,342	41,291	202,633
At 31 December 2017	609,922	255,570	865,492
Carrying amount			
At 31 December 2017	7,874,009	272,524	8,146,533
At 31 December 2016	8,035,351	300,860	8,336,211

Revaluation

The fair value of the company's freehold buildings was revalued on 5 October 2013 by an independent valuer.

The company's freehold buildings were revalued by Caxtons, Chartered Surveyors on a fair value basis. This assessment of fair value was prepared in accordance with the Practice Statements in the RICS Valuation - Professional Standards 2014 including the International Valuation Standards.

This valuation has been taken as deemed cost on transition to FRS102.

12 Investment properties

Group

	2017 £
At 1 January and 31 December 2017	4,435,270
Fair value adjustments	237,540
At 31 December	4,672,810

The group's investment properties were revalued by Caxtons Chartered Surveyors at 5 October 2013.

The directors have reviewed the fair value of the investment properties and revalued them based on the change in property price indices.

Company

	2017
	£
At 1 January and 31 December 2017	4,435,270
Fair value adjustments	237,540
At 31 December	4,672,810

The company's investment properties were revalued by Caxtons Chartered Surveyors at 5 October 2013.

The directors have reviewed the fair value of the investment properties and revalued them based on the change in property price indices.

13 Investments

Company

	2017	2016
	£	£
Investments in subsidiaries	1,494,970	1,494,970

Subsidiaries	£
Cost or valuation	
At 1 January 2017	1,971,628
At 31 December 2017	1,971,628
Provision	
At 1 January 2017	476,658
At 31 December 2017	476,658
Carrying amount	
At 31 December 2017	1,494,970
At 31 December 2016	1,494,970

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held 2017	2016
Subsidiary undertakings			
Ruxley Manor Garden Centre Limited	Ordinary	100%	100%
M & G Trollies Limited	Ordinary	100%	100%
H Evans & Sons (Covent Garden) Limited	Ordinary	100%	100%
Ruxley Manor Plants Limited	Ordinary	100%	100%
Grace's Day Nursery Limited	Ordinary	100%	100%

Subsidiary undertakings

The principal activity of Ruxley Manor Garden Centre Limited is the retail sale of garden equipment and furniture.

The principal activity of M & G Trollies Limited is that of a non trading dormant company.

The principal activity of H Evans & Sons (Covent Garden) Limited is that of a non trading dormant company.

The principal activity of Ruxley Manor Plants Limited is that of a non trading dormant company.

The principal activity of Grace's Day Nursery Limited is provision of private children's day nurseries.

The registered address of all subsidiary undertakings is Ruxley Manor Nursery, Maidstone Road, Sidcup, Kent, DA14 5BQ.

14 Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Finished goods and goods for resale	946,079	852,211	-	-

Group

The cost of stocks recognised as an expense in the year amounted to £5,568,361 (2016 - £4,903,542).

Impairment of stocks

The amount of impairment loss included in profit or loss is £29,982 (2016 - £27,294).

The impairment loss is included in cost of sales.

15 Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	330,789	95,056	210,914	58,908
Amounts due from group companies	-	-	26,284	58,226
Other debtors	372,088	358,723	244,438	276,107
Prepayments	473,896	816,366	248,093	583,028
Total current trade and other debtors	1,176,773	1,270,145	729,729	976,269

An impairment loss of £9,048 (2016: £6,461) was recognised against trade debtors. In the prior year the group received £42,541 in respect to debts which had previously been written off.

16 Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash on hand	77,994	67,114	2,046	1,731
Cash at bank	2,943,303	1,774,252	466,757	70,510
	3,021,297	1,841,366	468,803	72,241

17 Creditors

		Group		Company	
		2017	2016	2017	2016
	Note	£	£	£	£
Due within one year					
Loans and borrowings	18	252,097	243,907	252,097	243,907
Trade creditors		1,053,365	878,060	130,423	113,777
Amounts due to group companies		-	-	1,483,748	1,272,590
Social security and other taxes		672,283	554,347	124,321	107,550
Other creditors		218,748	251,051	74,943	127,569
Accruals		268,161	244,196	69,546	76,620
Corporation tax		293,411	178,574	88,468	60,532
		2,758,065	2,350,135	2,223,546	2,002,545
Due after one year					
Loans and borrowings	18	1,495,984	1,777,163	1,495,984	1,777,163

18 Loans and borrowings

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	1,495,984	1,777,163	1,495,984	1,777,163

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Current loans and borrowings				
Bank borrowings	252,097	243,907	252,097	243,907

Group and Company

Bank borrowings

The first bank loan is denominated in Sterling with a nominal interest rate of 2.69% over base rate, and the final instalment is due on 22 October 2022. The carrying amount at year end is £1,030,510 (2016 - £1,230,907).

The second bank loan is denominated in Sterling with a nominal interest rate of 2.00% over base rate, and the final instalment is due on 31 July 2026. The carrying amount at year end is £717,571 (2016 - £790,163).

Bank loans and overdrafts are secured by fixed charge over the book debts of the company and floating charge on all other assets dated 17 May 1985. There is also a legal charge over the nursery site dated 18 June 1990, supplemental fixed charge over uncalled capital, goodwill and intellectual property rights dated 31 March 1992 and an unlimited multilateral guarantee dated 20 January 2011 with certain group members.

There is another legal charge over Scottish Equitable life policy dated 23 November 2012.

Finally a further fixed charge over all present freehold and leasehold property; fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and floating charge over all assets and undertaking both present and future dated 10 October 2012.

Repayments are made monthly on the bank loan representing principal and interest.

Included in the loans and borrowings are the following amounts due after more than five years:

	2017 £	2016 £
After more than five years by instalments	460,732	724,045

19 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	1,803,010	1,803,010	1,803,010	1,803,010

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:
The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

20 Reserves

Group and Company

The profit and loss account includes £3,086,601 (2016: £2,991,502) of non-distributable reserves relating to the revaluation of investment properties.

21 Obligations under leases and hire purchase contracts

Group

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	54,283	30,192
Later than one year and not later than five years	74,467	26,203
	128,750	56,395

The amount of non-cancellable operating lease payments recognised as an expense during the year was £63,415 (2016 - £42,201).

Operating leases - lessor

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	27,476	35,978
Later than one year and not later than five years	143,912	143,912
Later than five years	256,977	148,955
	428,365	328,845

Company

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	36,018	11,762
Later than one year and not later than five years	51,522	3,748
	87,540	15,510

The amount of non-cancellable operating lease payments recognised as an expense during the year was £25,186 (2016 - £18,204).

Operating leases - lessor
The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	170,978	170,978
Later than one year and not later than five years	683,912	575,912
Later than five years	496,977	640,955
	1,351,867	1,387,845

22 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £54,848 (2016 - £59,447).

23 Related party transactions

Group and company
Transactions with directors

2017	At 1 January 2017 £	Advances to directors £	Repayments by director £	Other payments made to company by director £	At 31 December 2017 £
Director's loan account	(8,068)	4,382	(12,000)	-	(15,686)
Director's loan account	33,276	2,782	(16,160)	-	19,898
Director's loan account	166,725	13,728	(65,500)	-	114,953

2016	At 1 January 2016 £	Advances to directors £	Repayments by director £	Other payments made to company by director £	At 31 December 2016 £
Director's loan account	8,067	2,945	(19,080)	-	(8,068)
Director's loan account	37,172	1,580	(5,476)	-	33,276
Director's loan account	171,726	410	(5,411)	-	166,725

Directors' loans are interest free and repayable on demand.

24 Financial instruments

Group

Categorisation of financial instruments

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost	568,657	461,009
Financial liabilities measured at amortised cost	3,272,308	3,386,309

Credit and market risk

The group is at risk from its customers defaulting in making payments for rent and goods that have been supplied to them. The majority of the group's customers are cash based. To minimise the risk the group has a policy of only dealing with customers who have either demonstrated creditworthiness or can provide sufficient collateral. To determine previous creditworthiness the group makes use of independent rating agencies, other publicly available financial information and its own trading records. The group's exposure and its customers creditworthiness is continually monitored so that any potential problems are detected at an early stage.

Liquidity risk

The directors have ultimate responsibility for liquidity risk management in maintaining adequate reserves, banking facilities and reserve borrowing facilities. They do this by continually monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Cash flow interest rate risk

The group is exposed to interest rate risk through the impact of rate changes on interest-bearing borrowings. The interest rates and terms of repayment are disclosed in Note 18 to the financial statements. The group's policy is to obtain the most favourable interest rates available on borrowings. The group does not use any derivative instruments to reduce its economic exposure to changes in interest rate.

Foreign currency risk

The group is exposed to currency risk on purchases, sales and borrowings that are denominated in a currency other than the respective functional which is Sterling. The group's balance sheet is exposed to movement in the GBP/US$, GBP/EUR and GBP/HK$.

Company

Categorisation of financial instruments

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost	346,785	393,241
Financial liabilities measured at amortised cost	3,490,694	3,603,558

25 Control

There was no ultimate controlling party throughout this or the previous period.