Company Registration No. 00435262 (England and Wales)

MINTON, TREHARNE & DAVIES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2019

MINTON, TREHARNE & DAVIES LIMITED

COMPANY INFORMATION

Directors	Mr J E Minton Mr R J Minton Mr C J Minton
Secretary	Mrs J A Minton
Company number	00435262
Registered office	Merton House Croescadarn Close Pentwyn CARDIFF South Glamorgan UK CF23 8HF
Auditor	Baldwins Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff UK CF23 8AB

MINTON, TREHARNE & DAVIES LIMITED

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MINTON, TREHARNE & DAVIES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 MARCH 2019

The directors present the strategic report for the year ended 30 March 2019.

Fair review of the business
The Company continues to achieve its strategy of growth through diversification with much more emphasis on quality of service.

Turnover in the year for the group has decreased slightly from £15.95m to £14.89m. Despite a slight decrease in performance, the group is optimistic regarding the future. It is believed that the impending relocation of the business to a purpose built facility, the policy of providing a superior service to customers, coupled with the continuing investment in technology (aiming to provide greater transparency will keep the group at the forefront of the industry.

Principal risks and uncertainties
Business Continuity The disaster recovery plan continues to be reviewed and strengthened.

Competition The Company continues to monitor the performance of its main competitors.

Interest Rate Risk The Company finances its operations through a mixture of retained profits, finance agreements and bank borrowings. The Company's exposure is managed by the use of fixed charge lease agreements and variable rate bank facilities.

Liquidity risk The Company utilises appropriately termed debt finance that is designed to ensure that it has sufficient funds for operations.

Credit risk The Company has robust credit controls in place to mitigate the risk of bad debts.

Key Performance Indicators

	2019	**2018**	**Variance**
Revenue	14,895,134	15,948,591	(1,053,457)
Cost of Sales	8,533,531	8,144,695	(388,836)
Gross Profit	6,361,602	7,803,626	(1,441,024)
Gross Profit %	40.35%	48.9%	
Administrative expenses	5,634,775	6,111,370	(476,595)
Other operating income	405,650	399,778	5,872
Operating Profit	1,132,475	2,006,438	(959,559)
Operating Profit %	7.1%	12.6%	

On behalf of the board

Mr J E Minton
Director
12 March 2020

MINTON, TREHARNE & DAVIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 MARCH 2019

The directors present their annual report and financial statements for the year ended 30 March 2019.

Principal activities
The principal activity of the company during the year were research and consulting scientists, analytical and testing laboratories, product development and exploitation.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J E Minton
Mr R J Minton
Mr C J Minton

Results and dividends
The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr J E Minton
Director
12 March 2020

MINTON, TREHARNE & DAVIES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 MARCH 2019

The directors are responsible 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MINTON, TREHARNE & DAVIES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MINTON, TREHARNE & DAVIES LIMITED

Opinion

We have audited the financial statements of Minton, Treharne & Davies Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 March 2019 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 March 2019 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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.

Ian Thomas BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services

12 March 2020

Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
CARDIFF
UK
CF23 8AB

MINTON, TREHARNE & DAVIES LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 MARCH 2019

	Notes	2019 £	2018 £
Turnover	2	14,895,133	15,948,591
Cost of sales		(8,533,531)	(8,144,965)
Gross profit		6,361,602	7,803,626
Administrative expenses		(5,634,777)	(6,111,370)
Other operating income		405,650	399,778
Operating profit	3	1,132,475	2,092,034
Interest receivable and similar income	7	83	-
Interest payable and similar expenses	8	(81,053)	(85,596)
Profit before taxation		1,051,505	2,006,438
Tax on profit	9	(307,773)	(490,818)
Profit for the financial year		743,732	1,515,620
Profit for the financial year is attributable to:			
- Owners of the parent company		794,608	1,613,135
- Non-controlling interests		(50,876)	(97,515)
		743,732	1,515,620

The profit and loss account has been prepared on the basis that all operations are continuing operations.

MINTON, TREHARNE & DAVIES LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 MARCH 2019

	2019	2018
	£	£
Profit for the year	743,732	1,515,620
Other comprehensive income	-	-
Total comprehensive income for the year	743,732	1,515,620
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	794,608	1,613,135
- Non-controlling interests	(50,876)	(97,515)
	743,732	1,515,620

MINTON, TREHARNE & DAVIES LIMITED

GROUP BALANCE SHEET

AS AT 30 MARCH 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	**11**		9,140,423		8,635,943
Investments	**12**		249,560		249,560
			9,389,983		8,885,503
Current assets					
Debtors	**15**	10,393,602		9,537,414	
Cash at bank and in hand		2,382,102		2,779,306	
		12,775,704		12,316,720	
Creditors: amounts falling due within one year	**16**	(3,679,863)		(3,631,455)	
Net current assets			9,095,841		8,685,265
Total assets less current liabilities			18,485,824		17,570,768
Creditors: amounts falling due after more than one year	**17**		(1,938,619)		(2,046,033)
Provisions for liabilities	**20**		(682,873)		(648,948)
Net assets			15,864,332		14,875,787
Capital and reserves					
Called up share capital	**22**		100,000		100,000
Capital redemption reserve			10,000		10,000
Profit and loss reserves			15,496,193		14,456,772
Equity attributable to owners of the parent company			15,606,193		14,566,772
Non-controlling interests			258,139		309,015
			15,864,332		14,875,787

The financial statements were approved by the board of directors and authorised for issue on 12 March 2020 and are signed on its behalf by:

Mr J E Minton
Director

MINTON, TREHARNE & DAVIES LIMITED

COMPANY BALANCE SHEET

AS AT 30 MARCH 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	11		9,087,985		8,577,812
Investments	12		305,250		305,250
			9,393,235		8,883,062
Current assets					
Debtors	15	7,225,100		6,399,321	
Cash at bank and in hand		1,727,830		2,303,572	
		8,952,930		8,702,893	
Creditors: amounts falling due within one year	16	(4,696,908)		(4,679,315)	
Net current assets			4,256,022		4,023,578
Total assets less current liabilities			13,649,257		12,906,640
Creditors: amounts falling due after more than one year	17		(1,938,619)		(2,046,033)
Provisions for liabilities	20		(312,933)		(269,636)
Net assets			11,397,705		10,590,971
Capital and reserves					
Called up share capital	22		100,000		100,000
Capital redemption reserve			10,000		10,000
Profit and loss reserves			11,287,705		10,480,971
Total equity			11,397,705		10,590,971

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £806,734 (2018 - £1,440,731 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12 March 2020 and are signed on its behalf by:

Mr J E Minton
Director

Company Registration No. 00435262

MINTON, TREHARNE & DAVIES LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 MARCH 2019

	Notes	Share capital	Capital redemption reserve	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
		£	£	£	£	£	£
Balance at 1 April 2017		100,000	10,000	13,339,661	13,449,661	406,530	13,856,191
Year ended 31 March 2018:							
Profit and total comprehensive income for the year		-	-	1,613,135	1,613,135	(97,515)	1,515,620
Dividends	**10**	-	-	(200,000)	(200,000)	-	(200,000)
Other movements		-	-	(296,024)	(296,024)	-	(296,024)
Balance at 31 March 2018		100,000	10,000	14,456,772	14,566,772	309,015	14,875,787
Year ended 30 March 2019:							
Profit and total comprehensive income for the year		-	-	794,608	794,608	(50,876)	743,732
Other movements		-	-	244,813	244,813	-	244,813
Balance at 30 March 2019		100,000	10,000	15,496,193	15,606,193	258,139	15,864,332

MINTON, TREHARNE & DAVIES LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 MARCH 2019

	Notes	Share capital	Capital redemption reserve	Profit and loss reserves	Total
		£	£	£	£
Balance at 1 April 2017		100,000	10,000	9,240,240	9,350,240
Year ended 31 March 2018:					
Profit and total comprehensive income for the year		-	-	1,440,731	1,440,731
Dividends	**10**	-	-	(200,000)	(200,000)
Balance at 31 March 2018		100,000	10,000	10,480,971	10,590,971
Year ended 30 March 2019:					
Profit and total comprehensive income for the year		-	-	806,734	806,734
Balance at 30 March 2019		100,000	10,000	11,287,705	11,397,705

MINTON, TREHARNE & DAVIES LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 MARCH 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Cash generated from operations	**24**		801,438		1,480,927
Interest paid			(81,053)		(85,596)
Income taxes paid			(502,263)		(254,168)
Net cash inflow from operating activities			218,122		1,141,163
Investing activities					
Purchase of tangible fixed assets		(928,333)		(631,515)	
Proceeds on disposal of tangible fixed assets		34,386		397,948	
Proceeds from other investments and loans		(216,017)		(531,951)	
Interest received		83		-	
Net cash used in investing activities			(1,109,881)		(765,518)
Financing activities					
Repayment of borrowings		-		(3,948)	
Repayment of bank loans		(218,868)		(584,556)	
Payment of finance leases obligations		215,699		26,291	
Dividends paid to equity shareholders		-		(200,000)	
Net cash used in financing activities			(3,169)		(762,213)
Net decrease in cash and cash equivalents			(894,928)		(386,568)
Cash and cash equivalents at beginning of year			2,749,618		3,432,200
Effect of foreign exchange rates			244,824		(296,014)
Cash and cash equivalents at end of year			2,099,514		2,749,618
Relating to:					
Cash at bank and in hand			2,382,102		2,779,306
Bank overdrafts included in creditors payable within one year			(282,588)		(29,688)

MINTON, TREHARNE & DAVIES LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 MARCH 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Cash generated from operations	**25**		699,220		1,926,473
Interest paid			(81,053)		(85,596)
Income taxes paid			(434,789)		(187,301)
Net cash inflow from operating activities			183,378		1,653,576
Investing activities					
Purchase of tangible fixed assets		(857,733)		(599,176)	
Proceeds on disposal of tangible fixed assets		35,210		382,684	
Proceeds from other investments and loans		(216,016)		(531,951)	
Net cash used in investing activities			(1,038,539)		(748,443)
Financing activities					
Repayment of borrowings		-		(3,948)	
Repayment of bank loans		(218,868)		(584,556)	
Payment of finance leases obligations		215,699		26,291	
Dividends paid to equity shareholders		-		(200,000)	
Net cash used in financing activities			(3,169)		(762,213)
Net (decrease)/increase in cash and cash equivalents			(858,330)		142,920
Cash and cash equivalents at beginning of year			2,303,572		2,160,652
Cash and cash equivalents at end of year			1,445,242		2,303,572
Relating to:					
Cash at bank and in hand			1,727,830		2,303,572
Bank overdrafts included in creditors payable within one year			(282,588)		-

1 Accounting policies

Company information

Minton, Treharne & Davies Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Merton House, Croescadarn Close, Pentwyn, CARDIFF, South Glamorgan, UK, CF23 8HF.

The group consists of Minton, Treharne & Davies Limited and all of its subsidiaries.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1 Accounting policies (Continued)

The consolidated financial statements incorporate those of Minton, Treharne & Davies Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 March 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the g roup.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover represents amounts receivable for services and rechargeable disbursements net of VAT.

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies (Continued)

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	2% on a straight line basis
Plant and machinery	10% - 35% on a reducing balance basis
Fixtures, fittings & equipment	20% on cost
Computer equipment	10% - 35% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1 Accounting policies (Continued)

1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies (Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where 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 have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies (Continued)

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2019	2018
	£	£
Turnover analysed by class of business		
Consultancy services	14,895,133	15,948,591

2 Turnover and other revenue (Continued)

	2019	2018
	£	£
Other significant revenue		
Interest income	83	-
Grants received	8,810	9,867

	2019	2018
	£	£
Turnover analysed by geographical market		
UK	8,690,130	7,884,222
Europe	2,201,130	5,338,171
Rest of World	4,003,873	2,726,198
	14,895,133	15,948,591

3 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(15,817)	150,813
Government grants	(8,810)	(9,867)
Depreciation of owned tangible fixed assets	107,012	239,811
Depreciation of tangible fixed assets held under finance leases	226,614	62,977
Impairment of owned tangible fixed assets	56,335	-
(Profit)/loss on disposal of tangible fixed assets	(491)	15,854
Operating lease charges	471,211	474,045

4 Auditor's remuneration

	2019	2018
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	13,000	12,500
Audit of the financial statements of the company's subsidiaries	20,309	17,059
	33,309	29,559

5 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Number of staff	144	149	118	113

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	8,201,125	7,941,248	5,215,874	5,148,975
Social security costs	621,213	603,176	585,068	568,995
Pension costs	287,585	328,064	247,426	285,371
	9,109,923	8,872,488	6,048,368	6,003,341

6 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	415,142	481,564

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2018 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	212,507	260,855

7 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	83	-

8 Interest payable and similar expenses

	2019	2018
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	57,383	74,231
Other finance costs:		
Interest on finance leases and hire purchase contracts	23,670	11,365
Total finance costs	81,053	85,596

9 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	231,573	511,459
Adjustments in respect of prior periods	(3,281)	-
Total UK current tax	228,292	511,459
Foreign current tax on profits for the current period	(16,481)	(31,899)
Total current tax	211,811	479,560
Deferred tax		
Origination and reversal of timing differences	95,962	11,258
Total tax charge	307,773	490,818

9 Taxation (Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	1,051,505	2,006,438
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	199,786	381,223
Tax effect of expenses that are not deductible in determining taxable profit	22,717	19,761
Tax effect of income not taxable in determining taxable profit	-	(12,053)
Tax effect of utilisation of tax losses not previously recognised	-	(1,330)
Adjustments in respect of prior years	3,281	(5,916)
Group relief	-	(2,827)
Permanent capital allowances in excess of depreciation	40,393	(19,577)
Effect of overseas tax rates	41,596	80,989
Others	-	15,319
Tax rebates	-	35,229
Taxation charge	307,773	490,818

10 Dividends

	2019	2018
	£	£
Final paid	-	200,000

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2019

11 Tangible fixed assets

Group	Freehold buildings	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2018	8,796,915	3,588,262	102,578	26,624	336,801	12,851,180
Additions	371,127	418,515	17,460	990	120,239	928,331
Disposals	-	-	-	-	(93,449)	(93,449)
At 30 March 2019	9,168,042	4,006,777	120,038	27,614	363,591	13,686,062
Depreciation and impairment						
At 1 April 2018	772,673	3,127,401	102,576	14,866	197,716	4,215,232
Depreciation charged in the year	48,729	211,766	17,462	3,320	52,349	333,626
Impairment losses	56,335	-	-	-	-	56,335
Eliminated in respect of disposals	-	-	-	-	(59,554)	(59,554)
At 30 March 2019	877,737	3,339,167	120,038	18,186	190,511	4,545,639
Carrying amount						
At 30 March 2019	8,290,305	667,610	-	9,428	173,080	9,140,423
At 31 March 2018	8,024,241	460,859	-	11,758	139,085	8,635,943

Company	Freehold buildings	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2018	8,792,729	3,548,810	327,057	12,668,596
Additions	318,979	418,515	120,239	857,733
Disposals	-	-	(93,449)	(93,449)
At 30 March 2019	9,111,708	3,967,325	353,847	13,432,880
Depreciation and impairment				
At 1 April 2018	772,673	3,127,833	190,275	4,090,781
Depreciation charged in the year	48,729	211,766	52,349	312,844
Eliminated in respect of disposals	-	-	(58,730)	(58,730)
At 30 March 2019	821,402	3,339,599	183,894	4,344,895
Carrying amount				
At 30 March 2019	8,290,306	627,726	169,953	9,087,985
At 31 March 2018	8,020,055	420,975	136,782	8,577,812

11 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2019	2018	Company 2019	2018
	£	£	£	£
Plant and machinery	328,432	91,977	328,432	91,977
Motor vehicles	128,351	117,135	128,351	117,135
	456,783	209,112	456,783	209,112
Depreciation charge for the year in respect of leased assets	226,614	62,977	113,307	62,977

More information on impairment movements in the year is given in note .

12 Fixed asset investments

	Notes	Group 2019	2018	Company 2019	2018
		£	£	£	£
Investments in associates	13	249,560	249,560	305,250	305,250

Movements in fixed asset investments

Group	Shares in group undertakings
	£
Cost or valuation	
At 1 April 2018 & 30 March 2019	249,560
Carrying amount	
At 30 March 2019	249,560
At 31 March 2018	249,560

12 Fixed asset investments (Continued)

Movements in fixed asset investments

Company	**Shares in group undertakings**
	£
Cost or valuation	
At 1 April 2018 & 30 March 2019	305,250
Carrying amount	
At 30 March 2019	305,250
At 31 March 2018	305,250

13 Subsidiaries

Details of the company's subsidiaries at 30 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
British Vapour Testing Limited	UK	Vapour Testing	Ordinary	100.00	
Composite Inspection Limited	UK	Dormant	Ordinary	100.00	
Martest Cambrian (Singapore) PTE	Singapore	Consulting, scientists, mariners and engineers	Ordinary	70.00	
Minton Trehearne & Davies (Australia) PTY Ltd	Australia	Consulting	Ordinary	100.00	
Minton, Trehearne & Davies (Singapore) PTE	Singapore	Consulting, scientists, mariners and engineers	Ordinary	100.00	
Minton, Trehearne & Davies Holland BV	Holland	Consulting, scientists, mariners and engineers	Ordinary	100.00	
Minton, Trehearne & Davies USA Inc	USA	Consulting, scientists, mariners and engineers	Ordinary	80.00	
MTD Marine Surveys Limited	UK	Dormant	Ordinary	100.00	

14 Financial instruments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	6,386,844	5,299,452	4,578,197	3,250,709
Carrying amount of financial liabilities				
Measured at amortised cost	3,893,143	3,733,823	5,571,157	5,450,532

15 Debtors

Amounts falling due within one year:	Group 2019 £	2018 £	Company 2019 £	2018 £
Trade debtors	6,617,030	6,090,560	4,197,668	3,356,660
Gross amounts owed by contract customers	2,473,617	2,268,380	1,513,607	1,424,749
Amounts owed by group undertakings	-	-	337,256	548,961
Other debtors	1,257,826	1,150,669	1,164,266	1,046,889
Prepayments and accrued income	45,129	27,805	12,303	22,062
	10,393,602	9,537,414	7,225,100	6,399,321

16 Creditors: amounts falling due within one year

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Bank loans and overdrafts	18	505,978	247,841	505,978	218,153
Obligations under finance leases	19	167,770	77,572	167,770	77,572
Trade creditors		276,464	215,223	196,437	158,873
Amounts due to group undertakings		-	-	1,961,442	2,017,061
Corporation tax payable		1,130,376	1,358,791	498,233	709,171
Other taxation and social security		457,772	438,873	428,946	419,644
Other creditors		529,542	499,213	451,140	455,140
Accruals and deferred income		611,961	793,942	486,962	623,701
		3,679,863	3,631,455	4,696,908	4,679,315

17 Creditors: amounts falling due after more than one year

		Group		Company	
		2019	2018	2019	2018
	Notes	£	£	£	£
Bank loans and overdrafts	18	1,593,169	1,817,274	1,593,169	1,817,274
Obligations under finance leases	19	208,259	82,758	208,259	82,758
Government grants		137,191	146,001	137,191	146,001
		1,938,619	2,046,033	1,938,619	2,046,033

18 Loans and overdrafts

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans	1,816,559	2,035,427	1,816,559	2,035,427
Bank overdrafts	282,588	29,688	282,588	-
	2,099,147	2,065,115	2,099,147	2,035,427
Payable within one year	505,978	247,841	505,978	218,153
Payable after one year	1,593,169	1,817,274	1,593,169	1,817,274

The long-term loans are secured by a first legal charge over the freehold property owned by the group.

19 Finance lease obligations

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	161,851	77,572	161,851	77,572
In two to five years	214,178	82,758	214,178	82,758
	376,029	160,330	376,029	160,330

The finance lease creditors are secured upon the assets to which they relate. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

20 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	**Liabilities 2019 £**	**Liabilities 2018 £**
Accelerated capital allowances	737,546	706,910
Tax losses	(51,366)	(54,655)
Retirement benefit obligations	(3,307)	(3,307)
	682,873	648,948

Company	**Liabilities 2019 £**	**Liabilities 2018 £**
Accelerated capital allowances	367,606	327,598
Tax losses	(51,366)	(54,655)
Retirement benefit obligations	(3,307)	(3,307)
	312,933	269,636

Movements in the year:	**Group 2019 £**	**Company 2019 £**
Liability at 1 April 2018	648,948	269,636
Charge to profit or loss	43,297	43,297
Liability at 30 March 2019	692,245	312,933

21 Retirement benefit schemes

Defined contribution schemes	**2019 £**	**2018 £**
Charge to profit or loss in respect of defined contribution schemes	287,585	328,064

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

	Group and company	
	2019	2018
Ordinary share capital	£	£
Issued and fully paid		
39,190 Class 'A' Ordinary Shares of £1 each	39,190	39,190
4,000 Class 'B' Ordinary Shares of £1 each	4,000	4,000
46,810 Class 'C' Ordinary Shares of £1 each	46,810	46,810
	90,000	90,000
Preference share capital		
Issued and fully paid		
10,000 Class 'D' Ordinary Shares of £1 each	10,000	10,000
Total equity share capital	100,000	100,000

Both Ordinary and Preference shares carry full voting rights, full equity participation and full rights in respect of dividends.

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Within one year	164,807	204,146	114,470	68,379
Between two and five years	208,332	88,569	208,332	33,144
	373,139	292,715	322,802	101,523

24 Cash generated from group operations

	2019	2018
	£	£
Profit for the year after tax	743,732	1,515,620
Adjustments for:		
Taxation charged	307,773	490,818
Finance costs	81,053	85,596
Investment income	(83)	-
(Gain)/loss on disposal of tangible fixed assets	(491)	15,854
Depreciation and impairment of tangible fixed assets	389,961	302,778
Movements in working capital:		
(Increase) in debtors	(635,469)	(447,678)
(Decrease) in creditors	(76,228)	(472,194)
(Decrease) in deferred income	(8,810)	(9,867)
Cash generated from operations	801,438	1,480,927

25 Cash generated from operations - company

	2019	2018
	£	£
Profit for the year after tax	806,734	1,440,731
Adjustments for:		
Taxation charged	267,148	326,096
Finance costs	81,053	85,596
(Gain)/loss on disposal of tangible fixed assets	(491)	15,854
Depreciation and impairment of tangible fixed assets	312,844	231,909
Movements in working capital:		
(Increase)/decrease in debtors	(609,762)	400,755
Decrease in creditors	(149,496)	(564,601)
Decrease in deferred income	(8,810)	(9,867)
Cash generated from operations	699,220	1,926,473