

**REGISTERED NUMBER: 02031097 (England and Wales)**

**R K AGGARWAL LIMITED**  
**GROUP STRATEGIC REPORT,**  
**REPORT OF THE DIRECTORS AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

HODGE BAKSHI  
CHARTERED ACCOUNTANTS &  
STATUTORY AUDITORS  
CHURCHGATE HOUSE  
CHURCH ROAD  
CARDIFF  
CF14 2DX

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Group Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>4</b>
<b>Report of the Independent Auditors</b>	<b>8</b>
<b>Consolidated Income Statement</b>	<b>11</b>
<b>Consolidated Other Comprehensive Income</b>	<b>12</b>
<b>Consolidated Balance Sheet</b>	<b>13</b>
<b>Company Balance Sheet</b>	<b>14</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>15</b>
<b>Company Statement of Changes in Equity</b>	<b>16</b>
<b>Consolidated Cash Flow Statement</b>	<b>17</b>
<b>Notes to the Consolidated Cash Flow Statement</b>	<b>18</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>19</b>

**R K AGGARWAL LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**DIRECTORS:** R K Aggarwal  
Mrs U R Aggarwal

**SECRETARY:** R K Aggarwal

**REGISTERED OFFICE:** Churchgate House  
3 Church Road  
Whitchurch  
Cardiff  
SOUTH GLAMORGAN  
CF14 2DX

**REGISTERED NUMBER:** 02031097 (England and Wales)

**SENIOR STATUTORY  
AUDITOR:** P.S.BAKSHI

**AUDITORS:** HODGE BAKSHI  
CHARTERED ACCOUNTANTS &  
STATUTORY AUDITORS  
CHURCHGATE HOUSE  
CHURCH ROAD  
CARDIFF  
CF14 2DX

**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

The directors present their strategic report of the company and the group for the year ended 30 June 2019.

**REVIEW OF BUSINESS**

The directors are satisfied with the results for the current period. They have seen an upturn in turnover in a period where the industry sector has been struggling to grow. The trading remains challenging and to maintain customer base margins are being compromised. The directors believe that the increase in turnover will continue into 2020 and are expecting healthy profits for that year. A key strength of the group is its ability to distribute orders efficiently to a large number of customers. This has been enhanced in recent years by its investment in sales on-line. Details of the company's performance for the financial year are set out in detail on page 10. The company's investment in the non- trading subsidiary continued in the year ended 30th June 2019.

However, uncertainties related to the effects of Brexit and COVID-19 are relevant to understanding the financial statements. However, the reasonableness of estimates made by the directors, such as recoverability of debtors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit and COVID-19 are the most significant economic and social events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. However, when assessing the company's future prospects no accounts should be expected to predict unknowable factors of all possible future implications for a company and this is particularly the case in relation to Brexit and COVID-19.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Management team continually monitor the key risks facing the group together with assessing the controls used for managing these risks. The board of directors formally reviews and documents the principal risks facing the business at least annually.

The principal risks and uncertainties facing the group are as follows;

**Economic downturn** - The group acknowledges the importance of maintaining close relationships with its key customers in order to be able to identify the early signs of potential financial difficulties. Sales trends in its major markets are constantly reviewed to enable early action to be taken in the event of sales declining.

**Competitive pressure** - In the general economic environment is a continuing risk to the group as is the ability of suppliers to keep pace with the competition. The group manages this risk by providing fast response times in fulfilling sales orders and by maintaining strong relationships with key customers and suppliers throughout the world.

**Reliance on key suppliers** - The group's purchasing activities could expose it to over reliance on certain suppliers and inflationary pricing pressure. The group manages this risk by ensuring there is enough breadth in its supplier base and by constantly seeking to find potential alternative suppliers that may be used, if necessary.

**Loss of key personnel** - This would present significant operational difficulties for the group. Management seek to ensure that key personnel are appropriately remunerated to ensure that good performance is recognised.

**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**KEY PERFORMANCE INDICATORS**

One of the group's key measurements of effectiveness of its operations is calculating gross margin after direct costs. The group achieved a gross margin after direct costs of 22.6% (2018-21.4%).

**ON BEHALF OF THE BOARD:**

R K Aggarwal - Director

30 March 2020

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of dispensing chemists, retail chemists and online retailers.

**DIVIDENDS**

No dividends will be distributed for the year ended 30 June 2019.

**RESEARCH AND DEVELOPMENT**

The company will continue its policy of research and development in order to retain a competitive position in the market. All research and development expenditure is written off to the profit and loss account as it is incurred.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors set out in the table below have held office during the whole of the period from 1 July 2018 to the date of this report.

The beneficial interests of the directors holding office at 30 June 2019 in the shares of the company, according to the register of directors' interests, were as follows:

	30.6.19	1.7.18
<b>Ordinary Shares shares of £1 each</b>		
R K Aggarwal	79	79
Mrs U R Aggarwal	1	1

These directors did not hold any non-beneficial interests in the shares of the company.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**FINANCIAL INSTRUMENTS**

The management of the business and the execution of the group's strategy are subject to a number of risks. The key business risks affecting the business are:

**COMPETITORS RISK**

Competitive pressure in the general economic environment is a continuing risk to the group as is the ability of suppliers to keep pace with the competition. The group manages this risk by providing fast response times in fulfilling sales orders and by maintaining strong relationships with the key customers and suppliers.

**INTEREST RATE RISK**

Interest rate risks are managed by regular and consistent monitoring of interest rate.

**FINANCIAL RISK MANAGEMENT**

The main financial risks arising from the group's activities are credit risk, liquidity risk, foreign exchange risk, interest rate risk, price risk and cash flow risk,

**CREDIT RISK**

The group is exposed to credit risk. It is company policy to assess the credit risk of all customers before entering into a trading relationship and to ensure that credit risk is kept to a minimum.

**LIQUIDITY RISK**

The operations of the group are financed by a mixture of retained profits and cash. The company's policy to manage liquidity risk and cash flow risk is to ensure that adequate funds are held in readily accessible current accounts, to meet the working capital requirements of the company. The directors of the company monitor these risks carefully and, when appropriate, steps are taken to ensure liquidity risk and cash flow risk are reduced.

**FOREIGN EXCHANGE RISK**

The group sources products from abroad and is therefore subject to foreign exchange movements. This risk is managed by regular and consistent monitoring of exchange rates.

**PRICE RISK**

The group does not enter into hedging arrangements and as such is not exposed to price risk.

**GOING CONCERN**

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, therefore it continues to adopt the going concern basis for accounting in preparing the annual financial statements.

**EMPLOYEE INVOLVEMENT**

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**EMPLOYMENT OF DISABLED PERSONS**

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

**DISCLOSURE IN THE STRATEGIC REPORT**

In accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 I set out in the company's strategic report information required by schedule 7 of the Large and Medium - sized Companies and Groups (Accounts and Reports) Regulations 2008.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

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

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

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



**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**AUDITORS**

The auditors, HODGE BAKSHI, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

R K Aggarwal - Director

30 March 2020

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF R K AGGARWAL LIMITED**

### **Opinion**

We have audited the financial statements of R K AGGARWAL LIMITED (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2019 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 June 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 Auditors' 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 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.

### **Impact of uncertainties due to Britain exiting EU and COVID-19 on our audit**

Uncertainties related to the effects of Brexit and COVID-19 are relevant to understanding our audit of the financial statements. All audit assess and challenge the reasonableness of estimates made by the directors, such as recoverability of debtors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit and COVID-19 are the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors of all possible future implications for a company and this is particularly the case in relation to Brexit and COVID-19.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**R K AGGARWAL LIMITED**

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

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

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

- adequate accounting records have not been kept 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 six, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**R K AGGARWAL LIMITED**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**Use of our report**

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

P.S.BAKSHI (Senior Statutory Auditor)  
for and on behalf of HODGE BAKSHI  
CHARTERED ACCOUNTANTS &  
STATUTORY AUDITORS  
CHURCHGATE HOUSE  
CHURCH ROAD  
CARDIFF  
CF14 2DX

30 March 2020

**CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>	3	<b>23,710,233</b>	22,727,370
Cost of sales		<u><b>18,339,159</b></u>	<u>17,850,080</u>
<b>GROSS PROFIT</b>		<b>5,371,074</b>	4,877,290
Administrative expenses		<u><b>2,497,485</b></u>	<u>2,381,536</u>
		<b>2,873,589</b>	2,495,754
Other operating income		<u><b>119,437</b></u>	<u>111,462</u>
<b>OPERATING PROFIT</b>	5	<b>2,993,026</b>	2,607,216
Exceptional item	6	<u><b>10,000</b></u>	<u>-</u>
		<b>2,983,026</b>	2,607,216
Interest receivable and similar income		<u><b>33,783</b></u>	<u>16,503</u>
<b>PROFIT BEFORE TAXATION</b>		<b>3,016,809</b>	2,623,719
Tax on profit	7	<u><b>416,121</b></u>	<u>498,209</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><b>2,600,688</b></u>	<u>2,125,510</u>
Profit attributable to:			
Owners of the parent		<u><b>2,600,688</b></u>	<u>2,125,510</u>

The notes form part of these financial statements

**R K AGGARWAL LIMITED (REGISTERED NUMBER: 02031097)**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 £	2018 £
<b>PROFIT FOR THE YEAR</b>		<b>2,600,688</b>	<b>2,125,510</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>2,600,688</u></b>	<b><u>2,125,510</u></b>
Total comprehensive income attributable to: Owners of the parent		<b><u>2,600,688</u></b>	<b><u>2,125,510</u></b>

The notes form part of these financial statements

**R K AGGARWAL LIMITED (REGISTERED NUMBER: 02031097)****CONSOLIDATED BALANCE SHEET****30 JUNE 2019**

	Notes	2019 £	£	2018 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		270,081		214,367
Investments	10		531,454		15,900
Investment property	11		1,237,919		1,460,209
			<u>2,039,454</u>		<u>1,690,476</u>
<b>CURRENT ASSETS</b>					
Stocks	12	5,662,460		3,057,654	
Debtors	13	805,464		683,601	
Cash at bank and in hand		<u>5,748,081</u>		<u>6,656,625</u>	
		12,216,005		10,397,880	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>2,371,998</u>		<u>2,803,808</u>	
<b>NET CURRENT ASSETS</b>			<u>9,844,007</u>		<u>7,594,072</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,883,461		9,284,548
<b>PROVISIONS FOR LIABILITIES</b>	16		<u>26,719</u>		<u>28,494</u>
<b>NET ASSETS</b>			<u>11,856,742</u>		<u>9,256,054</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		100		100
Retained earnings	18		<u>11,856,642</u>		<u>9,255,954</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>11,856,742</u>		<u>9,256,054</u>

The financial statements were approved by the Board of Directors on 30 March 2020 and were signed on its behalf by:

R K Aggarwal - Director

The notes form part of these financial statements

**R K AGGARWAL LIMITED (REGISTERED NUMBER: 02031097)****COMPANY BALANCE SHEET****30 JUNE 2019**

	Notes	2019 £	£	2018 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		270,081		214,367
Investments	10		531,554		16,000
Investment property	11		1,237,919		1,237,919
			<u>2,039,554</u>		<u>1,468,286</u>
<b>CURRENT ASSETS</b>					
Stocks	12	5,662,460		3,057,654	
Debtors	13	805,465		897,715	
Cash at bank and in hand		<u>5,747,981</u>		<u>6,656,525</u>	
		12,215,906		10,611,894	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>2,371,998</u>		<u>2,803,808</u>	
<b>NET CURRENT ASSETS</b>			<u>9,843,908</u>		<u>7,808,086</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>11,883,462</b>		<b>9,276,372</b>
<b>PROVISIONS FOR LIABILITIES</b>	16		<u>26,719</u>		<u>28,494</u>
<b>NET ASSETS</b>			<u><b>11,856,743</b></u>		<u><b>9,247,878</b></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		100		100
Retained earnings	18		<u>11,856,643</u>		<u>9,247,778</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><b>11,856,743</b></u>		<u><b>9,247,878</b></u>
Company's profit for the financial year			<u><b>2,608,865</b></u>		<u><b>2,125,510</b></u>

The financial statements were approved by the Board of Directors on 30 March 2020 and were signed on its behalf by:

R K Aggarwal - Director

The notes form part of these financial statements



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 July 2017</b>	100	7,130,444	7,130,544
<b>Changes in equity</b>			
Total comprehensive income	-	2,125,510	2,125,510
<b>Balance at 30 June 2018</b>	100	9,255,954	9,256,054
<b>Changes in equity</b>			
Total comprehensive income	-	2,600,688	2,600,688
<b>Balance at 30 June 2019</b>	100	11,856,642	11,856,742

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 July 2017</b>	100	7,122,268	7,122,368
<b>Changes in equity</b>			
Total comprehensive income	-	2,125,510	2,125,510
<b>Balance at 30 June 2018</b>	100	9,247,778	9,247,878
<b>Changes in equity</b>			
Total comprehensive income	-	2,608,865	2,608,865
<b>Balance at 30 June 2019</b>	100	11,856,643	11,856,743

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(361,332)	1,765,208
Tax paid		(494,477)	(137,462)
Net cash from operating activities		<u>(855,809)</u>	<u>1,627,746</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(131,187)	(90,395)
Purchase of fixed asset investments		(515,554)	-
Sale of investment property		498,938	-
Interest received		33,783	16,503
Net cash from investing activities		<u>(114,020)</u>	<u>(73,892)</u>
<b>Cash flows from financing activities</b>			
Amount introduced by directors		61,285	2,895
Amount withdrawn by directors		-	(45,175)
Net cash from financing activities		<u>61,285</u>	<u>(42,280)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(908,544)</u>	<u>1,511,574</u>
<b>Cash and cash equivalents at beginning of year</b>	2	6,656,625	5,145,051
<b>Cash and cash equivalents at end of year</b>	2	<u>5,748,081</u>	<u>6,656,625</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2019****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
Profit before taxation	<b>3,016,809</b>	2,623,719
Depreciation charges	<b>75,473</b>	72,344
Profit on disposal of fixed assets	<b>(276,648)</b>	-
Finance income	<b>(33,783)</b>	(16,503)
	<b>2,781,851</b>	2,679,560
Increase in stocks	<b>(2,604,806)</b>	(250,614)
Increase in trade and other debtors	<b>(148,322)</b>	(183,996)
Decrease in trade and other creditors	<b>(390,055)</b>	(479,742)
<b>Cash generated from operations</b>	<b><u>(361,332)</u></b>	<b><u>1,765,208</u></b>

**2. CASH AND CASH EQUIVALENTS**

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

**Year ended 30 June 2019**

	<b>30.6.19</b>	<b>1.7.18</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b><u>5,748,081</u></b>	<b><u>6,656,625</u></b>

**Year ended 30 June 2018**

	<b>30.6.18</b>	<b>1.7.17</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	<b><u>6,656,625</u></b>	<b><u>5,145,051</u></b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**1. STATUTORY INFORMATION**

R K AGGARWAL LIMITED is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the company and its subsidiary.

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial period was £2,608,865 (30th June 2018-£2,125,510).

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**Significant judgements and estimates**

In the application of the company's accounting policies, which are described above, 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 historical 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.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

**Valuation of land and buildings**

As described in note 11 to the financial statements, land and buildings are stated at fair value based on the valuation performed by the directors.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 2% on cost
Improvements to property	- 2% on cost
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

**Investment property**

Investment property is carried at fair value. Revaluation surpluses are recognised in the income statement. Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

Investment properties for which fair value can be measured reliably are measured at fair value at each reporting date with changes in fair value measured through profit and loss.

The methods and significant assumptions used to ascertain the fair value at the balance sheet date and fair value movement in the profit for the year are as follows:

Properties are valued by the directors using a yield calculation to ascertain a fair value.

**Stocks**

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

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**2. ACCOUNTING POLICIES - continued**

**Foreign currencies**

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

**Hire purchase and leasing commitments**

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

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

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

**Fixed asset investments**

Fixed asset investments are shown at cost less provision for impairment.

**Turnover and revenue recognition**

Turnover represents amounts derived from the provision of goods and services to the UK and Worldwide market which fall within the company's ordinary activities after the deduction of trade discounts and value added tax. Turnover is recognised upon transfer of rights of ownership to customers, which is on despatch of goods from company premises.

Other operating income relating to rental income received is recognised by reference usually billed monthly for quarterly engagements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**2. ACCOUNTING POLICIES - continued**

**Leasing commitments received**

Rents received under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Provisions**

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administration expenses.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the assets cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**Employee benefits**

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

The obligation for contribution to the money purchase scheme are recognised as an expense in the period they are incurred. The assets of the scheme are held separately from those of the company in an independent administered fund.

**3. TURNOVER**

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

An analysis of turnover by geographical market is given below:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
United Kingdom	<b>21,627,801</b>	20,078,985
Worldwide	<b>2,082,432</b>	2,648,385
	<b>23,710,233</b>	<b>22,727,370</b>

Turnover relates to the group and company.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019****4. EMPLOYEES AND DIRECTORS**

	<b>2019</b>	2018
	<b>£</b>	£
Wages and salaries	<b>1,690,100</b>	1,316,608
Social security costs	<b>111,616</b>	86,424
Other pension costs	<b>13,859</b>	12,589
	<b><u>1,815,575</u></b>	<u>1,415,621</u>

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

	<b>2019</b>	2018
Retail Staff	<b>78</b>	59
Administration	<b><u>2</u></b>	<u>2</u>
	<b><u>80</u></b>	<u>61</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 80 (2018 - 61) .

	<b>2019</b>	2018
	<b>£</b>	£
Directors' remuneration	<b><u>11,014</u></b>	<u>7,625</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<b><u>2</u></b>	<u>2</u>
------------------------	-----------------	----------

Employees and directors relates to the group and company.

**5. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	<b>2019</b>	2018
	<b>£</b>	£
Hire of plant and machinery	<b>136</b>	2,799
Depreciation - owned assets	<b>75,473</b>	72,344
Profit on disposal of fixed assets	<b>(276,648)</b>	-
Auditors' remuneration	<b>10,000</b>	10,000
Rent Received	<b>(104,799)</b>	(103,683)
Rent Paid	<b><u>171,347</u></b>	<u>170,563</u>

Operating profit relates to the group and company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019****6. EXCEPTIONAL ITEMS**

	<b>2019</b>	2018
	<b>£</b>	£
Exceptional item	<u><b>(10,000)</b></u>	<u>-</u>

During the year the subsidiary repaid an option receipt in relation to the investment property that was sold in the year.

**7. TAXATION****Analysis of the tax charge**

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

	<b>2019</b>	2018
	<b>£</b>	£
Current tax:		
UK corporation tax	<b>467,218</b>	494,478
R & D claim for previous year	<u><b>(49,322)</b></u>	<u>-</u>
Total current tax	<b>417,896</b>	494,478
Deferred tax	<u><b>(1,775)</b></u>	<u>3,731</u>
Tax on profit	<u><b>416,121</b></u>	<u>498,209</u>

UK corporation tax has been charged at 19% (2018 - 19%).

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

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

	<b>2019</b>	2018
	<b>£</b>	£
Profit before tax	<u><b>3,016,809</b></u>	<u>2,623,719</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	<b>573,194</b>	498,507
Effects of:		
Capital allowances in excess of depreciation	<b>(1,775)</b>	-
Depreciation in excess of capital allowances	-	3,731
Depreciation	<b>14,340</b>	13,745
Exceptional item	<b>(1,900)</b>	-
Research & Development claim for the previous year	<b>(49,322)</b>	-
Capital Allowances	<b>(14,107)</b>	(17,774)
Research & Development claim	<b>(55,545)</b>	-
Allowable capital disposal expenditure	<u><b>(48,764)</b></u>	<u>-</u>
Total tax charge	<u><b>416,121</b></u>	<u>498,209</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019****7. TAXATION - continued**

Taxation relates to the group and company.

**8. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**9. TANGIBLE FIXED ASSETS****Group**

	Long leasehold £	Improvements to property £	Plant and machinery £
<b>COST</b>			
At 1 July 2018	100,900	248,501	7,436
Additions	-	-	10,000
At 30 June 2019	100,900	248,501	17,436
<b>DEPRECIATION</b>			
At 1 July 2018	50,819	248,501	1,487
Charge for year	2,018	-	3,190
At 30 June 2019	52,837	248,501	4,677
<b>NET BOOK VALUE</b>			
At 30 June 2019	48,063	-	12,759
At 30 June 2018	50,081	-	5,949

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**9. TANGIBLE FIXED ASSETS - continued**

**Group**

	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1 July 2018	637,455	174,300	104,295	1,272,887
Additions	21,497	74,901	24,789	131,187
At 30 June 2019	658,952	249,201	129,084	1,404,074
<b>DEPRECIATION</b>				
At 1 July 2018	539,933	127,153	90,627	1,058,520
Charge for year	18,684	42,301	9,280	75,473
At 30 June 2019	558,617	169,454	99,907	1,133,993
<b>NET BOOK VALUE</b>				
At 30 June 2019	100,335	79,747	29,177	270,081
At 30 June 2018	97,522	47,147	13,668	214,367

**Company**

	<b>Long leasehold £</b>	<b>Improvements to property £</b>	<b>Plant and machinery £</b>
<b>COST</b>			
At 1 July 2018	100,900	248,501	7,436
Additions	-	-	10,000
At 30 June 2019	100,900	248,501	17,436
<b>DEPRECIATION</b>			
At 1 July 2018	50,819	248,501	1,487
Charge for year	2,018	-	3,190
At 30 June 2019	52,837	248,501	4,677
<b>NET BOOK VALUE</b>			
At 30 June 2019	48,063	-	12,759
At 30 June 2018	50,081	-	5,949

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019****9. TANGIBLE FIXED ASSETS - continued****Company**

	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1 July 2018	637,455	174,300	104,295	1,272,887
Additions	<u>21,497</u>	<u>74,901</u>	<u>24,789</u>	<u>131,187</u>
At 30 June 2019	<u>658,952</u>	<u>249,201</u>	<u>129,084</u>	<u>1,404,074</u>
<b>DEPRECIATION</b>				
At 1 July 2018	539,933	127,153	90,627	1,058,520
Charge for year	<u>18,684</u>	<u>42,301</u>	<u>9,280</u>	<u>75,473</u>
At 30 June 2019	<u>558,617</u>	<u>169,454</u>	<u>99,907</u>	<u>1,133,993</u>
<b>NET BOOK VALUE</b>				
At 30 June 2019	<u>100,335</u>	<u>79,747</u>	<u>29,177</u>	<u>270,081</u>
At 30 June 2018	<u>97,522</u>	<u>47,147</u>	<u>13,668</u>	<u>214,367</u>

**10. FIXED ASSET INVESTMENTS**

	<b>Group</b>		<b>Company</b>	
	<b>2019 £</b>	<b>2018 £</b>	<b>2019 £</b>	<b>2018 £</b>
Other investments not loans	<u>531,454</u>	<u>15,900</u>	<u>531,554</u>	<u>16,000</u>

Additional information is as follows:

**Group**

	<b>Unlisted investments £</b>
<b>COST</b>	
At 1 July 2018 and 30 June 2019	<u>15,900</u>
<b>NET BOOK VALUE</b>	
At 30 June 2019	<u>15,900</u>
At 30 June 2018	<u>15,900</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019****10. FIXED ASSET INVESTMENTS - continued****Group**

Investments (neither listed nor unlisted) were as follows:

	<b>2019</b>	2018
	<b>£</b>	£
Long term deposit investment	<u><b>515,554</b></u>	<u>-</u>
<b>Company</b>		<b>Unlisted investments</b>
		<b>£</b>
<b>COST</b>		
At 1 July 2018		
and 30 June 2019		<u><b>16,000</b></u>
<b>NET BOOK VALUE</b>		
At 30 June 2019		<u><b>16,000</b></u>
At 30 June 2018		<u><b>16,000</b></u>

Investments (neither listed nor unlisted) were as follows:

	<b>2019</b>	2018
	<b>£</b>	£
Long term deposit investment	<u><b>515,554</b></u>	<u>-</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiary****ST MELLONS HOTEL & SPA LIMITED**

Registered office:

Nature of business: Non trading

	%
	holding
Class of shares:	
Ordinary	100.00

	<b>2019</b>	2018
	<b>£</b>	£
Aggregate capital and reserves	<u><b>100</b></u>	<u><b>100</b></u>

Unlisted investments are included at a fair value valuation and have been considered by the directors.  
The market value of unlisted investments as at 30th June 2019 was £531,554.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019****11. INVESTMENT PROPERTY****Group**

	<b>Total £</b>
<b>FAIR VALUE</b>	
At 1 July 2018	1,460,209
Disposals	<u>(222,290)</u>
At 30 June 2019	<u>1,237,919</u>
<b>NET BOOK VALUE</b>	
At 30 June 2019	<u>1,237,919</u>
At 30 June 2018	<u>1,460,209</u>

**Company**

	<b>Total £</b>
<b>FAIR VALUE</b>	
At 1 July 2018 and 30 June 2019	<u>1,237,919</u>
<b>NET BOOK VALUE</b>	
At 30 June 2019	<u>1,237,919</u>
At 30 June 2018	<u>1,237,919</u>

Properties are held for investment purposes and as such they are not depreciated. Such properties are not held for consumption but for investment and the directors consider that to depreciate them would not give a true and fair view.

The value of the properties, which have been included at a fair value valuation and have been considered by the directors.

**12. STOCKS**

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Stocks	<u>5,662,460</u>	<u>3,057,654</u>	<u>5,662,460</u>	<u>3,057,654</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019****13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other debtors	<b>426,537</b>	233,277	<b>426,537</b>	233,278
Trade debtors	<b>341,204</b>	313,257	<b>341,205</b>	313,257
Due from group undertaking	-	-	-	214,113
Directors' current accounts	-	26,459	-	26,459
Prepayments	<b>37,723</b>	<b>110,608</b>	<b>37,723</b>	<b>110,608</b>
	<b><u>805,464</u></b>	<b><u>683,601</u></b>	<b><u>805,465</u></b>	<b><u>897,715</u></b>

There is no formal agreement between the company and its group undertaking and connected company for the group undertakings and connected company to repay their loans in more than one year to the company. All the loans are repayable by demand and are shown at cost. The amounts shown in the accounts are at their carrying values.

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

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>1,455,566</b>	2,018,068	<b>1,455,566</b>	2,018,068
Tax	<b>417,897</b>	494,478	<b>417,897</b>	494,478
Other creditors	<b>38,831</b>	41,007	<b>38,831</b>	41,007
PAYE and other taxes	<b>292,493</b>	167,247	<b>292,493</b>	167,247
Accruals	<b>132,385</b>	83,008	<b>132,385</b>	83,008
Directors' current accounts	<b>34,826</b>	-	<b>34,826</b>	-
	<b><u>2,371,998</u></b>	<b><u>2,803,808</u></b>	<b><u>2,371,998</u></b>	<b><u>2,803,808</u></b>

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Non-cancellable operating leases</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Within one year	<b>172,228</b>	172,228
Between one and five years	<b>280,000</b>	280,000
In more than five years	<b>350,000</b>	350,000
	<b><u>802,228</u></b>	<b><u>802,228</u></b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**15. LEASING AGREEMENTS - continued**

**Company**

	Non-cancellable operating leases	
	2019	2018
	£	£
Within one year	172,228	172,228
Between one and five years	280,000	280,000
In more than five years	350,000	350,000
	<u>802,228</u>	<u>802,228</u>

**16. PROVISIONS FOR LIABILITIES**

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Deferred tax	<u>26,719</u>	<u>28,494</u>	<u>26,719</u>	<u>28,494</u>
<b>Group</b>				
				Deferred tax
				£
Balance at 1 July 2018				28,494
Deaccelerated Capital Allowances				(1,775)
Balance at 30 June 2019				<u>26,719</u>
<b>Company</b>				
				Deferred tax
				£
Balance at 1 July 2018				28,494
Deaccelerated Capital Allowances				(1,775)
Balance at 30 June 2019				<u>26,719</u>

**17. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019	2018
			£	£
100	Ordinary Shares	£1	<u>100</u>	<u>100</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019****18. RESERVES****Group**

	Retained earnings £
At 1 July 2018	9,255,954
Profit for the year	<u>2,600,688</u>
At 30 June 2019	<u>11,856,642</u>

**Company**

	Retained earnings £
At 1 July 2018	9,247,778
Profit for the year	<u>2,608,865</u>
At 30 June 2019	<u>11,856,643</u>

**19. CONTINGENT LIABILITIES**

The company had no contingent liability as at Balance Sheet date.

**20. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 30 June 2019 and 30 June 2018:

	2019 £	2018 £
<b>R K Aggarwal</b>		
Balance outstanding at start of year	(13,229)	7,911
Amounts advanced	(59,814)	(21,140)
Amounts repaid	90,456	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>17,413</u>	<u>(13,229)</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**20. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

**Mrs U R Aggarwal**

Balance outstanding at start of year	<b>(13,230)</b>	7,910
Amounts advanced	<b>(59,814)</b>	(21,140)
Amounts repaid	<b>90,457</b>	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<b><u>17,413</u></b>	<b><u>(13,230)</u></b>

**21. RELATED PARTY DISCLOSURES**

The company has paid rent amounting to £60,000 (2018 - £60,000) to the directors for occupying properties owned by them.

The company has also paid rent amounting to £8,333 (2018-£13,000) to a pension fund. Included in debtors is £15,648 owed by the pension fund, in which the directors have a beneficial interest.

Included in debtors is £396,063 (2018 - £209,568) owed by a company in which the directors are shareholders and directors.

On the 28th June 2019 St Mellons Hotel & Spa Limited paid a dividend of £274,825 to its parent company R K Aggarwal Limited.

**22. POST BALANCE SHEET EVENTS**

There have been no post balance sheet events that require there to be disclosed.

**23. ULTIMATE CONTROLLING PARTY**

The controlling party is R K Aggarwal.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.