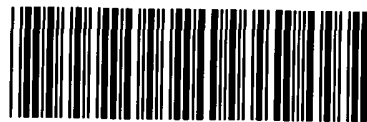


REGISTERED NUMBER: 02701780 (England and Wales)

GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2017
FOR
DAVID AUSTIN ROSES LIMITED

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FOR THE YEAR ENDED 31ST JULY 2017

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DAVID AUSTIN ROSES LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST JULY 2017

DIRECTORS:	Mr D C H Austin Mr D J C Austin
SECRETARY:	Mr T Smith
REGISTERED OFFICE:	Bowling Green Lane Albrighton Wolverhampton WV7 3HB
REGISTERED NUMBER:	02701780 (England and Wales)
AUDITORS:	Stanton Ralph & Co Limited Chartered Accountants Statutory Auditor The Old Police Station Whitburn Street Bridgnorth Shropshire WV16 4QP
BANKERS:	HSBC Bank plc Lichfield Street PO Box 33 9 Queen Square Wolverhampton West Midlands WV1 1TE

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31ST JULY 2017

The directors present their strategic report of the company and the group for the year ended 31st July 2017.

REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS

The group has been able to continue growth in certain areas of the business despite tough economic conditions. Overall group turnover has increased by £3,158k (18.12%), from £17,428k to £20,586k with gross margin increasing slightly to 57.9% (2016: 57.7%). The group's markets remain competitive but the directors continue to anticipate that strong branding together with targeted promotional strategies will facilitate growth in 2018 and subsequent years.

The group again committed substantial funds to research and development activities where its extensive breeding programme continues to facilitate the development of new varieties and is viewed by the directors as a foundation for future success. Total research and development costs were £720k (2016: £743k).

Total group labour costs, excluding directors remuneration, including social security, increased to £4,521k in 2017 from £4,280k in the previous year.

Total group profit before tax was £5,961k, an increase of £1,456k (32.3%) from the prior year profit of £4,505k, after taking into account foreign exchange losses of £212k (2016: £431k gain).

The group established a new subsidiary D A English Roses Limited during the year to own the group's investments and facilitate their tax efficient management.

PRINCIPAL RISKS AND UNCERTAINTIES

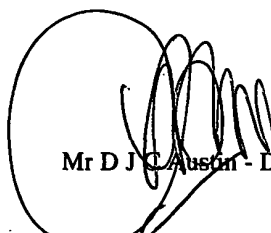
The group operates in competitive markets and would be adversely impacted by potential further tough economic conditions in the future. It has significant overseas sales, particularly in the USA and Japan, rendering it susceptible to adverse foreign currency movements. The directors continue to strengthen the group's branding so as to make it as resistant as possible to tough economic conditions and mitigate foreign exchange risks via the use of currency options and derivatives.

Adverse weather conditions could impact upon growing crop quality and yields within the group's supply chain. The group mitigates this risk via the use of multiple growers in various geographical locations.

ANALYSIS OF DEVELOPMENT AND PERFORMANCE FOR THE PERIOD AND AT THE PERIOD END

Total profit of £5,961k has facilitated an increase in net assets of £5,119k to be £20,577k at the year end. The directors expect the tax charge to continue to be lower than the standard rate in the UK due to substantial ongoing research and development activities and phased implementation of the patent box regime.

ON BEHALF OF THE BOARD:



Mr D J C Austin - Director

20th March 2018

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST JULY 2017

The directors present their report with the financial statements of the company and the group for the year ended 31st July 2017.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of rose breeding, wholesaling, retail, licensing and plant centre operation.

DIVIDENDS

No dividends were paid during the year.

RESEARCH AND DEVELOPMENT

The group continues to commit substantial funds into research and development activities where its extensive breeding programme continues to facilitate the development of new varieties and is viewed by the directors as a foundation for future success. Total research and development costs were £720k (2016: £743k).

FUTURE DEVELOPMENTS

The company anticipates continued profitability for the year to 31st July 2018 and subsequently.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st August 2016 to the date of this report.

Mr D C H Austin

Mr D J C Austin

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.

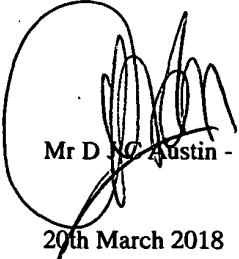
DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST JULY 2017

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:



Mr D. C. Austin - Director

20th March 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DAVID AUSTIN ROSES LIMITED

Opinion

We have audited the financial statements of David Austin Roses Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st July 2017 on pages seven to twenty nine. 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).

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.

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 31st July 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

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 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DAVID AUSTIN ROSES LIMITED

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 three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our 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. This description forms part of our Report of the Auditors.



Mr Adrian Ralph FCA CTA (Senior Statutory Auditor)
for and on behalf of Stanton Ralph & Co Limited
Chartered Accountants
Statutory Auditor
The Old Police Station
Whitburn Street
Bridgnorth
Shropshire
WV16 4QP

20th March 2018

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31ST JULY 2017

31.7.16		Notes	31.7.17
£	£		£
17,428,482	TURNOVER	3	20,586,033
7,365,156	Cost of sales		8,669,883
10,063,326	GROSS PROFIT		11,916,150
5,504,487	Administrative expenses		6,409,163
4,558,839			5,506,987
(142,340)	Other operating income and expenses	4	347,803
4,416,499	OPERATING PROFIT	7	5,854,790
28,372	Income from fixed asset investments		25,088
65,134	Interest receivable and similar income		81,200
93,506			106,288
4,510,005			5,961,078
4,904	Interest payable and similar expenses	8	-
4,505,101	PROFIT BEFORE TAXATION		5,961,078
429,756	Tax on profit	9	804,574
4,075,345	PROFIT FOR THE FINANCIAL YEAR		5,156,504
4,075,345	Profit attributable to: Owners of the parent		5,156,504

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST JULY 2017

31.7.16 £	Notes	31.7.17 £
4,075,345	PROFIT FOR THE YEAR	5,156,504
	OTHER COMPREHENSIVE INCOME	
92,223	Exchange differences on consolidation	(37,364)
-	Income tax relating to other comprehensive income	-
<u>92,223</u>	OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>(37,364)</u>
4,167,568	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>5,119,140</u>
<u>4,167,568</u>	Total comprehensive income attributable to: Owners of the parent	<u>5,119,140</u>

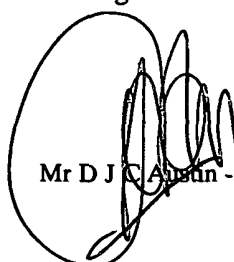
The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

CONSOLIDATED BALANCE SHEET
31ST JULY 2017

31.7.16			Notes	31.7.17
£	£			£
		FIXED ASSETS		
	5,523,843	Tangible assets	12	7,720,723
	2,778,934	Investments	13	3,262,072
	135,953	Investment property	14	135,953
	<u>8,438,730</u>			<u>11,118,748</u>
		CURRENT ASSETS		
1,800,619		Stocks	15	1,830,958
1,314,493		Debtors	16	1,586,250
6,051,338		Cash at bank		8,480,369
				<u>11,897,577</u>
9,166,450				
		CREDITORS		
2,076,581		Amounts falling due within one year	17	2,328,302
				<u>9,569,275</u>
	7,089,869	NET CURRENT ASSETS		
	<u>15,528,599</u>	TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,688,023</u>
	70,554	PROVISIONS FOR LIABILITIES	21	110,838
	<u>15,458,045</u>	NET ASSETS		<u>20,577,185</u>
		CAPITAL AND RESERVES		
	5,320	Called up share capital	22	5,320
	5,576	Share premium	23	5,576
	4,680	Capital redemption reserve	23	4,680
	15,442,469	Retained earnings	23	20,561,609
	<u>15,458,045</u>	SHAREHOLDERS' FUNDS		<u>20,577,185</u>

The financial statements were approved and authorised for issue by the Board of Directors on 20th March 2018 and were signed on its behalf by:

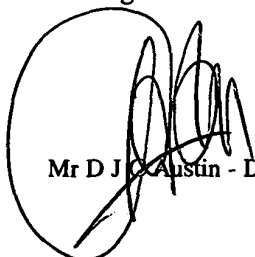

Mr D J C Austin - Director

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

COMPANY BALANCE SHEET
31ST JULY 2017

31.7.16				31.7.17
£	£		Notes	£
		FIXED ASSETS		
	4,688,329	Tangible assets	12	6,896,414
	2,812,517	Investments	13	6,501,397
	135,953	Investment property	14	-
	<u>7,636,799</u>			<u>13,397,811</u>
		CURRENT ASSETS		
723,219		Stocks	15	589,286
1,874,199		Debtors	16	2,038,836
4,825,162		Cash at bank		4,264,471
	<u>7,422,580</u>			<u>6,892,593</u>
		CREDITORS		
2,283,034		Amounts falling due within one year	17	3,184,296
	<u>5,139,546</u>	NET CURRENT ASSETS		<u>3,708,297</u>
	12,776,345	TOTAL ASSETS LESS CURRENT LIABILITIES		17,106,108
		CREDITORS		
	(1,500,000)	Amounts falling due after more than one year	18	(1,500,000)
	(64,351)	PROVISIONS FOR LIABILITIES	21	(48,499)
	<u>11,211,994</u>	NET ASSETS		<u>15,557,609</u>
		CAPITAL AND RESERVES		
	5,320	Called up share capital	22	5,320
	5,576	Share premium	23	5,576
	4,680	Capital redemption reserve	23	4,680
	11,196,418	Retained earnings	23	15,542,033
	<u>11,211,994</u>	SHAREHOLDERS' FUNDS		<u>15,557,609</u>
	<u>3,966,627</u>	Company's profit for the financial year		<u>4,356,602</u>

The financial statements were approved and authorised for issue by the Board of Directors on 20th March 2018 and were signed on its behalf by:


Mr D J Austin - Director

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST JULY 2017

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1st August 2015	5,320	13,274,901	5,576	4,680	13,290,477
Changes in equity					
Dividends	-	(2,000,000)	-	-	(2,000,000)
Total comprehensive income	-	4,167,568	-	-	4,167,568
Balance at 31st July 2016	<u>5,320</u>	<u>15,442,469</u>	<u>5,576</u>	<u>4,680</u>	<u>15,458,045</u>
Changes in equity					
Total comprehensive income	-	5,119,140	-	-	5,119,140
Balance at 31st July 2017	<u>5,320</u>	<u>20,561,609</u>	<u>5,576</u>	<u>4,680</u>	<u>20,577,185</u>

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST JULY 2017

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1st August 2015	5,320	9,243,100	5,576	4,680	9,258,676
Changes in equity					
Dividends	-	(2,000,000)	-	-	(2,000,000)
Total comprehensive income	-	3,966,627	-	-	3,966,627
Capital distribution	-	(13,309)	-	-	(13,309)
Balance at 31st July 2016	<u>5,320</u>	<u>11,196,418</u>	<u>5,576</u>	<u>4,680</u>	<u>11,211,994</u>
Changes in equity					
Total comprehensive income	-	4,356,602	-	-	4,356,602
Capital distribution	-	(10,987)	-	-	(10,987)
Balance at 31st July 2017	<u>5,320</u>	<u>15,542,033</u>	<u>5,576</u>	<u>4,680</u>	<u>15,557,609</u>

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2017

31.7.16 £	Notes	31.7.17 £
	Cash flows from operating activities	
5,251,681	Cash generated from operations 1	5,962,561
(4,904)	Interest paid	-
(692,092)	Tax paid	(542,406)
<u>4,554,685</u>	Net cash from operating activities	<u>5,420,155</u>
	Cash flows from investing activities	
(551,126)	Purchase of tangible fixed assets	(2,679,590)
(638,183)	Purchase of fixed asset investments	(1,060,902)
810	Sale of tangible fixed assets	14,170
363,072	Sale of fixed asset investments	768,891
(59,691)	Revaluation of listed investments	(154,842)
65,134	Interest received	81,200
28,372	Dividends received	25,088
<u>(791,612)</u>	Net cash from investing activities	<u>(3,005,985)</u>
	Cash flows from financing activities	
(317,267)	Loan repayments in year	-
(5,206)	Movement on directors loans	6,795
92,223	Foreign exchange on reserves	(37,364)
(215,396)	Foreign exchange on bfwd tangible assets	45,430
(2,000,000)	Equity dividends paid	-
<u>(2,445,646)</u>	Net cash from financing activities	<u>14,861</u>
<u>1,317,427</u>	Increase in cash and cash equivalents	<u>2,429,031</u>
4,733,911	Cash and cash equivalents at beginning of year 2	6,051,338
<u>6,051,338</u>	Cash and cash equivalents at end of year 2	<u>8,480,369</u>

The notes form part of these financial statements

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JULY 2017

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

	31.7.17	31.7.16
	£	£
Profit before taxation	5,961,078	4,505,101
Depreciation charges	430,281	457,823
Profit on disposal of fixed assets	(43,456)	(15,165)
Finance costs	-	4,904
Finance income	(106,288)	(93,506)
	<hr/>	<hr/>
Increase in stocks	6,241,615	4,859,157
(Increase)/decrease in trade and other debtors	(30,339)	(239,653)
Increase in trade and other creditors	(271,757)	270,312
	<hr/>	<hr/>
	23,042	361,865
	<hr/>	<hr/>
Cash generated from operations	5,962,561	5,251,681

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 31st July 2017

	31.7.17	1.8.16
	£	£
Cash and cash equivalents	8,480,369	6,051,338

Year ended 31st July 2016

	31.7.16	1.8.15
	£	£
Cash and cash equivalents	6,051,338	4,733,911

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2017

1. STATUTORY INFORMATION

David Austin Roses 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.

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 as modified by the revaluation of certain assets.

The financial statements are prepared in Sterling.

Basis of consolidation

The group financial statements have been prepared under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and applicable accounting standards.

The consolidated financial statements incorporate the financial statements of the company and entities that continue to be controlled by the Group (its subsidiaries). Control exists where the Group has the power to govern the financial and operating policies of the entity; generally conferred by holding a majority of voting rights.

All intra-group balances, transactions, income and expenses are eliminated on consolidation. The consolidated accounts are prepared using uniform accounting policies.

Financial reporting standard 102 - reduced disclosure exemption

The individual company accounts have taken advantage of the following disclosure exemptions in preparing their financial statements as permitted by FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirements of Section 7 Statement of Cashflow;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 12 Other Financial Instruments paragraph 12.26, 12.27, 12.29 (a), 12.29 (b) and 12.29A.

Turnover

Turnover represents the net amount invoiced by the group to external customers for goods and services excluding value added tax. Turnover is recognised when the risks and rewards of owning the goods has been passed to the customer which is generally on delivery.

Licensing income is included in turnover and is recognised in line with agreements with licensees, either based upon the sales to external customers of the licensee or at the point of propagation.

Revenue recognition

Interest income is recognised using the effective interest method.

Fixed asset investments are recognised when the right to receive payment is established.

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

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.

Freehold property	- 1% on cost
Plant and machinery	- 25% on cost, 20% on cost and 10% on cost.
Motor vehicles	- 25% on cost

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets are depreciated from the date they are brought into use.

Freehold land is not depreciated.

Investment property

In accordance with FRS102 investment property is valued at fair value, only if the property can be measured reliably without undue cost or effort. 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.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amounts of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in the prior years. A reversal of an impairment loss is recognised immediately in the income statement.

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 31ST JULY 2017

2. ACCOUNTING POLICIES - continued

Research and development

The group undertakes research and development so as to pursue its fundamental aim of developing rose varieties free of disease. The group's policy is not to capitalise and carry forward costs incurred due to the highly speculative nature of the work.

Operating leases

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.

Investments

Investments in listed shares and equity shares have been valued at fair value where publicly traded and the gains and losses have been adjusted in the profit and loss account in line with FRS102.

Investments in subsidiaries have been included at cost less impairment, in line with FRS102.

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 from impairment are recognised in the income statement in other administration expenses.

Loans and borrowings

Loan and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective rate of interest method, less impairment. If an arrangement constitutes a financial transaction it is measured at present value.

Foreign currencies

In accordance with FRS102, foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated using the spot rate of exchange. Any differences are taken to the income statement.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operation are translated from their functional currency to sterling using the closing exchange rate. Income and expenses are translated using the average rate for the period. Exchange differences arising on the translation of group companies are recognised in other comprehensive income.

The group uses foreign currency options and currency swaps in order to hedge its exposure to transactions denominated in certain foreign currencies.

Forward contracts

Forward currency contracts are recognised at fair value at the balance sheet date. Any changes in the fair value are recognised in the income statement.

Group relief

The benefit of group relief is accounted for within the tax charge of the profit making undertaking. No payment is made for group relief between group undertakings.

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

3. TURNOVER

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

An analysis of turnover by class of business is given below:

	31.7.17	31.7.16
	£	£
Sales of goods	17,841,808	15,039,012
Licensing and royalties	2,744,225	2,389,470
	<u>20,586,033</u>	<u>17,428,482</u>

An analysis of turnover by geographical market is given below:

	31.7.17	31.7.16
	£	£
United Kingdom	12,479,757	10,367,408
Europe	3,180,754	2,650,292
Rest of world	4,925,522	4,410,782
	<u>20,586,033</u>	<u>17,428,482</u>

4. OTHER OPERATING INCOME AND EXPENSES

	31.7.17	31.7.16
	£	£
Rents received	7,283	7,140
Forward exchange contracts	185,678	(209,171)
Profit on listed investments	154,842	59,691
	<u>347,803</u>	<u>(142,340)</u>

5. EMPLOYEES AND DIRECTORS

	31.7.17	31.7.16
	£	£
Wages and salaries	4,417,736	4,189,802
Social security costs	465,642	447,234
Other pension costs	47,945	68,430
	<u>4,931,323</u>	<u>4,705,466</u>

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

	31.7.17	31.7.16
Selling and administration	133	127
Production and breeding	85	88
	<u>218</u>	<u>215</u>

6. DIRECTORS' EMOLUMENTS

	31.7.17	31.7.16
	£	£
Directors' remuneration	321,076	319,034
Directors' pension contributions to money purchase schemes	<u>10,000</u>	<u>-</u>

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

6. DIRECTORS' EMOLUMENTS - continued

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

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	31.7.17	31.7.16
	£	£
Emoluments etc	162,428	162,986
Pension contributions to money purchase schemes	<u>10,000</u>	<u>-</u>

7. OPERATING PROFIT

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

	31.7.17	31.7.16
	£	£
Hire of equipment	34,048	39,514
Depreciation - owned assets	430,281	457,883
Profit on disposal of fixed assets	(43,456)	(15,165)
Auditors' remuneration	27,763	21,113
Foreign exchange differences	211,982	(430,672)
Research and development costs	720,540	743,002
Changes in fair value of listed investments	(18,960)	(59,691)
Changes in fair value of forward exchange contracts	(185,678)	209,171
Cost of stock	<u>8,714,925</u>	<u>7,587,977</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.7.17	31.7.16
	£	£
Bank loan interest	-	4,373
Interest on corporation tax	-	531
	<u>-</u>	<u>4,904</u>

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017**

9. TAXATION

Analysis of the tax charge

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

	31.7.17 £	31.7.16 £
Current tax:		
UK corporation tax	969,859	711,608
Under/over provision in prior year	3,679	(187,640)
Withholding tax	1,984	-
Patent box	(211,232)	(94,239)
Total current tax	764,290	429,729
Deferred tax	40,284	27
Tax on profit	<u>804,574</u>	<u>429,756</u>

UK corporation tax has been charged at 20.19% (2016 - 20%).

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:

	31.7.17 £	31.7.16 £
Profit before tax	<u>5,961,078</u>	<u>4,505,101</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20.201% (2016 - 20%)	1,204,197	901,020
Effects of:		
Expenses not deductible for tax purposes	22,674	3,910
Income not taxable for tax purposes	(5,068)	(24,214)
Capital allowances in excess of depreciation	(58,202)	(4)
Research and development	(189,223)	(193,181)
Chargeable gains	5,233	3,723
Effect of marginal relief and tax rates overseas	(5,922)	23,582
Overseas withholding tax	1,984	-
Deferred taxation movement	40,284	27
FRS102 adjustment	(3,830)	-
Patent box claims	(211,232)	(94,239)
Under provision in 2015	3,679	(3,228)
Patent box claim 2014 and 2015	-	(187,640)
Total tax charge	<u>804,574</u>	<u>429,756</u>

Tax effects relating to effects of other comprehensive income

	31.7.17 Gross £	Tax £	Net £
Exchange differences on consolidation	<u>(37,364)</u>	<u>-</u>	<u>(37,364)</u>

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017**

9. TAXATION - continued

	31.7.16	
	Gross	Tax
	£	£
Exchange differences on consolidation	92,223	-
	<u>92,223</u>	<u>92,223</u>

Under/over provision in prior years primarily relates to patent box claims in 2015 and 2016.

10. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £4,356,602 (2016: £3,966,627)

The parent company's profit for the financial year is stated after receiving dividends from subsidiary undertakings amounting to £900,000 (2016 - £2,000,000).

11. DIVIDENDS

	31.7.17	31.7.16
	£	£
Ordinary 'B' shares of £1 each		
Interim	-	2,000,000
	<u>-</u>	<u>2,000,000</u>

12. TANGIBLE FIXED ASSETS

Group

	Totals	Freehold	Plant and	Motor
	£	property	machinery	vehicles
		£	£	£
COST				
At 1st August 2016	10,907,282	4,494,914	6,287,264	125,104
Additions	2,679,590	2,217,101	414,339	48,150
Disposals	(54,279)	-	(14,630)	(39,649)
Exchange differences	(45,430)	(55,921)	11,414	(923)
At 31st July 2017	<u>13,487,163</u>	<u>6,656,094</u>	<u>6,698,387</u>	<u>132,682</u>
DEPRECIATION				
At 1st August 2016	5,383,439	259,366	5,023,243	100,830
Charge for year	430,281	46,438	364,038	19,805
Eliminated on disposal	(47,280)	-	(14,630)	(32,650)
At 31st July 2017	<u>5,766,440</u>	<u>305,804</u>	<u>5,372,651</u>	<u>87,985</u>
NET BOOK VALUE				
At 31st July 2017	<u>7,720,723</u>	<u>6,350,290</u>	<u>1,325,736</u>	<u>44,697</u>
At 31st July 2016	<u>5,523,843</u>	<u>4,235,548</u>	<u>1,264,021</u>	<u>24,274</u>

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

12. TANGIBLE FIXED ASSETS - continued

Company				
	Totals	Freehold	Plant and	Motor
	£	property	machinery	vehicles
		£	£	£
COST				
At 1st August 2016	9,632,765	3,710,391	5,824,993	97,381
Additions	2,571,739	2,217,101	306,488	48,150
Disposals	(47,649)	-	(8,000)	(39,649)
At 31st July 2017	12,156,855	5,927,492	6,123,481	105,882
DEPRECIATION				
At 1st August 2016	4,944,436	233,945	4,635,445	75,046
Charge for year	356,655	39,152	298,715	18,788
Eliminated on disposal	(40,650)	-	(8,000)	(32,650)
At 31st July 2017	5,260,441	273,097	4,926,160	61,184
NET BOOK VALUE				
At 31st July 2017	6,896,414	5,654,395	1,197,321	44,698
At 31st July 2016	4,688,329	3,476,446	1,189,548	22,335

Included in cost of land and buildings is freehold land of £423,558 (2016 - £423,558) which is not depreciated.

Cost includes costs directly attributable to making the asset capable of operating as intended.

13. FIXED ASSET INVESTMENTS

Group	
	Listed investments
	£
COST OR VALUATION	
At 1st August 2016	2,778,934
Additions	1,060,902
Disposals	(732,606)
Revaluations	154,842
At 31st July 2017	3,262,072
NET BOOK VALUE	
At 31st July 2017	3,262,072
At 31st July 2016	2,778,934

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

13. FIXED ASSET INVESTMENTS - continued

Group

Cost or valuation at 31st July 2017 is represented by:

	Listed investments £
Valuation in 2015	58,338
Valuation in 2016	59,691
Valuation in 2017	154,842
Cost	2,989,201
	<u>3,262,072</u>

Company

	Totals £	Listed investments £	Unlisted investments £
COST OR VALUATION			
At 1st August 2016	2,812,517	2,778,934	33,583
Additions	7,240,292	772,478	6,467,814
Disposals	(3,551,412)	(3,551,412)	-
	<u>6,501,397</u>	<u>-</u>	<u>6,501,397</u>
At 31st July 2017	<u>6,501,397</u>	<u>-</u>	<u>6,501,397</u>
NET BOOK VALUE			
At 31st July 2017	<u>6,501,397</u>	<u>-</u>	<u>6,501,397</u>
At 31st July 2016	<u>2,812,517</u>	<u>2,778,934</u>	<u>33,583</u>

Cost or valuation at 31st July 2017 is represented by:

	Unlisted investments £
Cost	<u>6,501,397</u>

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

Subsidiaries

David Austin Rose Nursery Limited

Registered office: Bowling Green Lane, Albrighton, Shropshire, WV7 3HB

Nature of business: Rose grower and retailer

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.7.17	31.7.16
		£	£
Aggregate capital and reserves		4,745,399	4,026,452
Profit for the year		<u>1,972,888</u>	<u>2,386,999</u>

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

13. FIXED ASSET INVESTMENTS - continued

David Austin Roses Japan KK

Registered office: Japan

Nature of business: Rose retailer and wholesaler

	%		
Class of shares:	holding		
Ordinary	100.00	31.7.17	31.7.16
		£	£
Aggregate capital and reserves		324,921	236,578
Profit for the year		<u>160,852</u>	<u>73,710</u>

DA English Roses Limited

Registered office: Bowling Green Lane, Albrighton, Shropshire, WV7 3HB

Nature of business: Investment company

	%		
Class of shares:	holding		
Ordinary	100.00	31.7.17	
		£	
Aggregate capital and reserves		6,449,807	
Profit for the year		<u>24,907</u>	

David Austin Roses Limited's unlisted investment addition of £6,467,814 relates to the company's acquisition of its subsidiary undertaking, DA English Roses Limited, as follows:

	£
On incorporation, 27 January 2017, one ordinary share	1
Acquisition of 6,467,813 preference shares on 15 May 2017	6,467,813
	<u>6,467,814</u>
Consideration for the preference shares by way of:	
Listed investments at market value	3,116,098
Investment property	135,953
Cash	3,215,762
	<u>6,467,813</u>

Listed fixed asset investments held by the group at the balance sheet date were valued, on an active market basis, as at 31st July 2017 by Rathbones.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017**

14. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1st August 2016 and 31st July 2017	135,953
NET BOOK VALUE	
At 31st July 2017	135,953
At 31st July 2016	135,953

The investment property was purchased during the year ended 31st July 2010 and the carrying value has been reviewed by the directors at each balance sheet date since the date of purchase. The directors consider the carrying value in the accounts continues to be in line with the present value and that the purchase cost continues to represent a reasonable assessment of the closing market value.

Company

	Total £
FAIR VALUE	
At 1st August 2016 Disposals	135,953 (135,953)
At 31st July 2017	-
NET BOOK VALUE	
At 31st July 2017	-
At 31st July 2016	135,953

The investment property was disposed of during the year to a subsidiary undertaking at its carrying value. The directors considered the carrying value to be in line with market value at the date of disposal.

15. STOCKS

	Group		Company	
	31.7.17 £	31.7.16 £	31.7.17 £	31.7.16 £
Growing plants	1,264,454	1,079,931	92,654	97,143
Plants and goods for resale	566,504	720,688	496,632	626,076
	<u>1,830,958</u>	<u>1,800,619</u>	<u>589,286</u>	<u>723,219</u>

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

16. DEBTORS

	Group		Company	
	31.7.17	31.7.16	31.7.17	31.7.16
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	1,413,629	1,191,804	1,400,803	1,174,751
Foreign currency forward exchange contracts	45,655	-	45,655	-
Prepayments	126,966	122,689	93,071	94,617
	<u>1,586,250</u>	<u>1,314,493</u>	<u>1,539,529</u>	<u>1,269,368</u>
Amounts falling due after more than one year:				
Group balances	-	-	499,307	604,831
	<u>-</u>	<u>-</u>	<u>499,307</u>	<u>604,831</u>
Aggregate amounts	<u>1,586,250</u>	<u>1,314,493</u>	<u>2,038,836</u>	<u>1,874,199</u>

The company has entered into a legal agreement with its subsidiary undertaking which confirms that the debt due as at 31 July 2017 is payable more than 12 months from the balance sheet date.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.7.17	31.7.16	31.7.17	31.7.16
	£	£	£	£
Trade creditors	916,366	753,968	643,820	334,985
Other creditors	32,826	22,763	32,826	22,763
Amounts owed to group undertakings	-	-	1,640,561	1,161,440
Tax	370,846	148,962	305,651	39,703
Social security and other taxes	329,625	321,392	328,807	319,430
Customer deposits	502,832	444,209	100,780	105,470
Foreign currency forward exchange contracts	-	140,023	-	140,023
Directors' current accounts	16,554	9,759	16,554	9,759
Accrued expenses	159,253	235,505	115,297	149,461
	<u>2,328,302</u>	<u>2,076,581</u>	<u>3,184,296</u>	<u>2,283,034</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Company	
	31.7.17	31.7.16
	£	£
Amounts owed to group undertakings	<u>1,500,000</u>	<u>1,500,000</u>

The company has entered into a legal agreement with its subsidiary undertaking which confirms that £1,500,000 of the total amount payable as at 31st July 2017 is repayable more than 12 months from the balance sheet date.

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

19. SECURED DEBTS

A unlimited multilateral guarantee dated 1st June 2009 has been given by the parent company and its subsidiary undertaking, David Austin Rose Nursery Limited, in favour of the group's bankers.

A cross guarantee exists between certain group companies where certain compensating bank balances are offset against each other. As at the group's balance sheet date, there are no overdrawn bank balances subject to this offset.

20. FOREIGN CURRENCY FORWARD EXCHANGE CONTRACTS

The carrying amount of the group's foreign currency forward exchange contracts held at fair value through profit or loss as 31st July 2017 are:

	31.07.17	31.07.16
	£	£
Fair value of forward exchange contracts	45,655	(140,023)
	=====	=====

The movement in the fair value has been recognised in the profit and loss account. This resulted in £185,678 being credited to the profit and loss account this year (2016: charge of £209,171).

The group uses foreign currency forward contracts to manage the foreign exchange risk of future transactions and cashflows.

The contracts are valued based on available market data. The group does not adopt hedge accounting for forward exchange contracts and, consequently, fair value gains and losses are recognised through profit and loss.

21. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.7.17	31.7.16	31.7.17	31.7.16
	£	£	£	£
Deferred tax	110,838	70,554	48,499	64,351
	=====	=====	=====	=====
Group				
				Deferred tax
				tax
				£
Balance at 1st August 2016				70,554
Accelerated capital allowances				9,490
Revaluation of investments				30,794
				=====
Balance at 31st July 2017				110,838
				=====
Company				
				Deferred tax
				tax
				£
Balance at 1st August 2016				64,351
Accelerated capital allowances				(15,852)
				=====
Balance at 31st July 2017				48,499
				=====

DAVID AUSTIN ROSES LIMITED (REGISTERED NUMBER: 02701780)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid: Number:	Class:	Nominal value: £1	31.7.17 £	31.7.16 £
2,280 (31.7.16 - NIL)	Preference	£1	2,280	-
NIL	Ordinary 'A'	£1	-	2,280
3,040	Ordinary 'B'	£1	3,040	3,040
			<u>5,320</u>	<u>5,320</u>

The Ordinary A and Ordinary B shares ranked parri passu in all respects other than having the potential for differing dividend entitlements.

On 15 May 2017 the Ordinary 'A' shares were reclassified as preference shares.

23. RESERVES

a) Share premium account

The share premium account represents the premium arising on the issue of shares net of issue costs.

b) Capital redemption reserves

This reserve represents the repurchase of the company's own shares in April 2001 and February 2009.

c) Profit and loss account

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments. It also included an amount of £272,871 (2016: £118,029), which represents the gain on the fair value of listed investments. In accordance with FRS102, this amount is considered non-distributable.

24. CAPITAL COMMITMENTS

	31.7.17 £	31.7.16 £
Contracted but not provided for in the financial statements	-	1,679,269

25. RELATED PARTY DISCLOSURES

Entities with control, joint control or significant influence over the entity

	31.7.17 £	31.7.16 £
Dividends paid	-	2,000,000
Loan to J Austin, son of D C H Austin and brother of D J C Austin	128,693	109,100

Interest is being charged on the loan at a rate of 3.25% per annum.

The company occupies land at Bowling Green Lane, Albrighton, Wolverhampton, of which 30% of the land is owned by a director. Rent of £1,950 was charged for the year.

Key management personnel of the entity or its parent (in the aggregate)

	31.7.17 £	31.7.16 £
Remuneration	519,213	488,095

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST JULY 2017

25. RELATED PARTY DISCLOSURES - continued

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the group are considered to be key management personnel.

26. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is considered to be D J C Austin by virtue of his shareholding and his ultimate responsibility for all group operating decisions.

27. PENSION COMMITMENTS

The group operates and contributes to defined contribution pension schemes in respect of employees and directors. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £47,945 (2016: £68,430).

Amounts owing to the funds at 31st July 2017 were £7,097 (2016: £6,475).

28. FINANCIAL INSTRUMENTS

The carrying amount of the company's financial instruments are at amortised costs with the exception of fixed asset investments which are at market value and the foreign currency forward exchange contracts which are at fair value.