

COMPANY REGISTRATION NUMBER: 07098738
JTG Holdings Limited
Financial Statements
31 December 2018

JTG Holdings Limited

Financial Statements

Year ended 31 December 2018

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JTG Holdings Limited**Officers and Professional Advisers****Director**

Mr J Gravell

Registered office

Gravells Service Centre, Pembrey Road

Kidwelly

Carmarthenshire

SA17 4TF

Auditor

James & Uzzell Ltd

Chartered Certified Accountants & statutory auditor

Axis 15, Axis Court

Mallard Way

Riverside Business Park

Swansca

SA7 0AJ

JTG Holdings Limited

Strategic Report

Year ended 31 December 2018

The director presents his strategic report for the year ended 31st December 2018. **REVIEW OF BUSINESS** The director undertakes a detailed analysis of the group's position during the year and at the year end using turnover and profitability as the key performance indicators as detailed below.

PRINCIPAL RISKS AND UNCERTAINTIES

The group operates in competitive markets and has reliance on a very good reputation and providing quality service. The group's trading activities are all within the United Kingdom and therefore it does not expose itself to fluctuating exchange rates. The principal risk facing the group is the strength of the UK economy and following from that the demand for its products. The group maintained positive growth during the last twelve months through its subsidiary's ability to offer innovative and value added products and services to its new and existing customer base while maintaining a high standard of service. The group continues to invest in its underlying systems and constantly seeks to identify opportunities for growth. The group's performance is heavily influenced by the fortunes of its subsidiary's franchises it represents. Given the longstanding and successful relationship the subsidiary enjoys with each of its core franchises it is considered that such risks have to a large extent been mitigated.

DEVELOPMENT AND PERFORMANCE

The results for the year and the financial position at the year end was considered satisfactory by the director. The director continues to identify growth strategies and improve the efficiency of the groups operations.

FINANCIAL KEY PERFORMANCE INDICATORS

The key performance indicators are set out below:

	2018	2017	Variance
	£	£	
Turnover	76,833,070	73,814,099	3,018,971
Gross Profit	4,996,043	4,664,869	331,174
Gross Profit %	6.50%	6.32%	0.18%
Profit before tax	2,056,012	1,464,904	591,108
Profit before tax %	2.68%	1.98%	0.7%
Number of cars sold	6,593	6,546	47
Used vehicle turnover	28,436,960	24,175,390	4,261,570
New vehicle turnover	38,969,968	40,777,000	(1,807,032)

This report was approved by the board of directors on 27 September 2019 and signed on behalf of the board by:

Mr J Gravell

Mr J Gravell

Director

JTG Holdings Limited

Director's Report

Year ended 31 December 2018

The director presents his report and the financial statements of the group for the year ended 31 December 2018 .

DIRECTOR

The director who served the company during the year was as follows:

Mr J Gravell

DIVIDENDS

Particulars of recommended dividends are detailed in note 13 to the financial statements.

FUTURE DEVELOPMENTS

The director aims to maintain the management policies which have resulted in the group's steady trading in recent years and to continue to focus on sustained profitability and growth within its existing core franchise operations.

FINANCIAL INSTRUMENTS

The group operates a number of risk management policies designed to minimise its exposure to financial risk.

Liquidity and cash flow risk

The group produces detailed monthly management accounts and forecasts, which enables the director to monitor the cash position and to ensure there is sufficient liquidity and cash flow to minimise the risk of the group being unable to pay its debts as they fall due.

Credit risk

The group operates a number of policies and controls to minimise credit risk. All customers are subject to a detailed credit review prior to any terms being agreed. The director must authorise any larger value contracts and the group will only conduct business with customers deemed to be credit worthy.

Price risk

The group actively manages price risk by agreeing terms with suppliers prior to entering into any transactions with customers.

RESEARCH AND DEVELOPMENT

The group has implemented a policy of investment in research and development in order to create a competitive position in the market.

DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT

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

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the strategic report, director's report and the financial statements in accordance with applicable law and regulations. Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period. In preparing these financial statements, the director is required to: - select suitable accounting policies and then apply them consistently; - make judgments 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 27 September 2019 and signed on behalf of the board by:

Mr J Gravell

Mr J Gravell

Director

JTG Holdings Limited

Independent Auditor's Report to the Members of JTG Holdings Limited

Year ended 31 December 2018

OPINION

We have audited the financial statements of JTG Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2018 and of the group's profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report. We have nothing to report in respect of the following matters in relation to which 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 director's remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE DIRECTOR

As explained more fully in the director's responsibilities statement, the director is 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 director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director. - Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. **USE OF OUR REPORT**

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

ALISON JAYNE UZZELL FCCA

(Senior Statutory Auditor)

For and on behalf of

James & Uzzell Ltd

Chartered Certified Accountants & statutory auditor

Axis 15, Axis Court

Mallard Way

Riverside Business Park

Swansea

SA7 0AJ

27 September 2019

JTG Holdings Limited**Consolidated Statement of Comprehensive Income****Year ended 31 December 2018**

		2018	2017
			<i>(restated)</i>
	Note	£	£
TURNOVER	4	76,833,070	73,814,099
Cost of sales		71,837,027	69,149,230
		-----	-----
GROSS PROFIT		4,996,043	4,664,869
Administrative expenses		3,031,448	3,295,190
Other operating income	5	159,639	167,883
		-----	-----
OPERATING PROFIT	6	2,124,234	1,537,562
Other interest receivable and similar income	10	16,927	405,282
Interest payable and similar expenses	11	85,149	92,915
		-----	-----
PROFIT BEFORE TAXATION		2,056,012	1,849,929
Tax on profit	12	220,503	130,078
		-----	-----
PROFIT FOR THE FINANCIAL YEAR		1,835,509	1,719,851
		-----	-----
Fair value movements on investment in subsidiaries		—	250,000
		-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,835,509	1,969,851
		-----	-----

All the activities of the group are from continuing operations.

JTG Holdings Limited
Consolidated Statement of Financial Position
31 December 2018

		2018	2017
			<i>(restated)</i>
	Note	£	£
FIXED ASSETS			
Negative goodwill	14	(128,478)	(220,618)
Tangible assets	15	7,774,291	7,667,425
Investments	16	1,589,970	1,229,970
		9,235,783	8,676,777
CURRENT ASSETS			
Stocks	17	7,806,470	8,323,978
Debtors	18	2,853,386	1,860,343
Cash at bank and in hand		1,509,831	1,073,983
		12,169,687	11,258,304
CREDITORS: amounts falling due within one year	19	12,153,997	12,202,706
NET CURRENT ASSETS/(LIABILITIES)		15,690	(944,402)
TOTAL ASSETS LESS CURRENT LIABILITIES		9,251,473	7,732,375
CREDITORS: amounts falling due after more than one year	20	190,851	424,043
PROVISIONS			
Taxation including deferred tax	21	465,810	451,502
NET ASSETS		8,594,812	6,856,830
CAPITAL AND RESERVES			
Called up share capital	25	20	20
Revaluation reserve	26	87,492	91,566
Other reserves, including the fair value reserve	26	250,000	250,000
Profit and loss account	26	8,257,300	6,515,244
SHAREHOLDERS FUNDS		8,594,812	6,856,830

These financial statements were approved by the board of directors and authorised for issue on 27 September 2019 , and are signed on behalf of the board by:

Mr J Gravell

Director

Company registration number: 07098738

JTG Holdings Limited**Company Statement of Financial Position****31 December 2018**

		2018	2017
	Note	£	£
FIXED ASSETS			
Investments	16	1,824,294	1,824,294
CURRENT ASSETS			
Debtors	18	2,762,415	2,762,415
CREDITORS: amounts falling due within one year	19	188,110	148,110
		-----	-----
NET CURRENT ASSETS		2,574,305	2,614,305
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		4,398,599	4,438,599
		-----	-----
CAPITAL AND RESERVES			
Called up share capital	25	20	20
Profit and loss account	26	4,398,579	4,438,579
		-----	-----
SHAREHOLDERS FUNDS		4,398,599	4,438,599
		-----	-----

The profit for the financial year of the parent company was £ 57,527 (2017: £ 2,701,854).

These financial statements were approved by the board of directors and authorised for issue on 27 September 2019 , and are signed on behalf of the board by:

Mr J Gravell

Director

Company registration number: 07098738

JTG Holdings Limited
Consolidated Statement of Changes in Equity
Year ended 31 December 2018

		Called up share capital	Revaluation reserve	Other reserves, including the fair value reserve	Profit and loss account	Total
	Note	£	£	£	£	£
AT 1 JANUARY 2017		20	95,640	–	4,831,919	4,927,579
Profit for the year					1,719,851	1,719,851
Other comprehensive income for the year:						
Fair value movements on investment in subsidiaries		–	–	250,000	–	250,000
Transfer from Revaluation Reserve		–	(4,074)	–	4,074	–
		---	-----	-----	-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		–	(4,074)	250,000	1,723,925	1,969,851
Dividends paid and payable	13	–	–	–	(40,600)	(40,600)
		---	-----	-----	-----	-----
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		–	–	–	(40,600)	(40,600)
AT 31 DECEMBER 2017 (AS PREVIOUSLY REPORTED)		20	188,566	538,025	6,130,219	6,856,830
Prior period adjustments	24	–	(97,000)	(288,025)	385,025	–
		---	-----	-----	-----	-----
AT 31 DECEMBER 2017 (RESTATED)		20	91,566	250,000	6,515,244	6,856,830
Profit for the year					1,835,509	1,835,509
Other comprehensive income for the year:						
Transfer from Revaluation Reserve		–	(4,074)	–	4,074	–
		---	-----	-----	-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		–	(4,074)	–	1,839,583	1,835,509

JTG Holdings Limited**Consolidated Statement of Changes in Equity** *(continued)***Year ended 31 December 2018**

		Called up share capital	Revaluation reserve	Other reserves, including the fair value reserve	Profit and loss account	Total
	Note	£	£	£	£	£
Dividends paid and payable	13	—	—	—	(97,527)	(97,527)
		---	---	---	-----	-----
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	—	—	(97,527)	(97,527)
		---	-----	-----	-----	-----
AT 31 DECEMBER 2018		20	87,492	250,000	8,257,300	8,594,812
		---	-----	-----	-----	-----

JTG Holdings Limited
Company Statement of Changes in Equity
Year ended 31 December 2018

		Called up share capital	Profit and loss account	Total
		£	£	£
AT 1 JANUARY 2017		20	1,777,325	1,777,345
Profit for the year			2,701,854	2,701,854
		---	-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	2,701,854	2,701,854
Dividends paid and payable	13	—	(40,600)	(40,600)
		---	-----	-----
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	(40,600)	(40,600)
AT 31 DECEMBER 2017		20	4,438,579	4,438,599
Profit for the year			57,527	57,527
		---	-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	57,527	57,527
Dividends paid and payable	13	—	(97,527)	(97,527)
		---	-----	-----
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	(97,527)	(97,527)
		---	-----	-----
AT 31 DECEMBER 2018		20	4,398,579	4,398,599
		---	-----	-----

JTG Holdings Limited**Consolidated Statement of Cash Flows****Year ended 31 December 2018**

		2018	2017
			<i>(restated)</i>
	Note	£	£
Cash generated from operations	29	1,529,755	1,550,849
Interest paid		(85,149)	(92,915)
Interest received		16,927	20,257
Tax paid		(151,729)	(214,172)
		-----	-----
Net cash from operating activities		1,309,804	1,264,019
		-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible assets		(4,262,273)	(4,164,314)
Proceeds from sale of tangible assets		3,934,303	2,748,342
Purchases of other investments		(360,000)	(1,210,050)
		-----	-----
Net cash used in investing activities		(687,970)	(2,626,022)
		-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		(88,459)	(281,680)
Dividends paid		(97,527)	(40,600)
		-----	-----
Net cash used in financing activities		(185,986)	(322,280)
		-----	-----
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		435,848	(1,684,283)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,073,983	2,758,266
		-----	-----
CASH AND CASH EQUIVALENTS AT END OF YEAR		1,509,831	1,073,983
		-----	-----

JTG Holdings Limited

Notes to the Financial Statements

Year ended 31 December 2018

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Gravells Service Centre, Pembrey Road, Kidwelly, Carmarthenshire, SA17 4TF.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

JTG Holdings Limited is a private company limited by shares, incorporated in the United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the group's operations and principal activities are those of a wholesale and retail motor dealer, petrol retailer, and property investment company. The reporting period of these financial statements and its comparative period is twelve months. The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £1. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The group meets its day-to-day working capital requirements through its bank facilities. After making enquiries, the director has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group's forecasts and projections, taking account reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities. Therefore the group continues to adopt the going concern basis in preparing its financial statements.

Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

The methods and significant assumptions used to ascertain the fair value and fair value movement included in the profit/loss for the year are as follows:

- For properties transferred in recent years for which valuations have been obtained, there is no reason to believe these have altered
- For the remaining properties, discussions with the director have established that the values in the accounts are deemed reasonable based on his knowledge of current market conditions of similar properties in the area.

Debtors and creditors receivable

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 administrative expenses.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with bank, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets.

Impairment of intangible assets and goodwill

The group considers whether intangible assets and/or goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (GNUs). This requires estimation of the future cash flows from the GNUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Stock provisioning

The group sells vehicles and is subject to consumer demands. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability.

Impairment of debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Loans and borrowings

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

Consolidation

The consolidated financial statements incorporate the financial statements of JTG Holdings Limited, and its subsidiary undertakings for the year ended 31 December 2018. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity it accounts for that entity as a subsidiary. Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Groups accounting policies when preparing the consolidated financial statements. An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and where the Group has significant influence where it has the power to participate in the financial and operating decisions of the associate. The results of associates are accounted for using the equity method of accounting. Any subsidiary undertakings or associates sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively. Where control of a subsidiary is lost, the gain or loss, is recognised in the consolidated income statement. The cumulative amounts of any exchange differences on translation, recognised in equity, are not included in the gain or loss on disposal and are transferred to retained earnings. The gain or loss on disposal includes amounts included in other comprehensive income that are required to be reclassified to profit or loss but excludes those amounts that are not required to be reclassified. Where control of a subsidiary is achieved in stages, the initial acquisition that gave control is accounted for as a business combination. Thereafter where the Group increases its controlling interest in the subsidiary the transaction is treated as a transaction between equity holders. Any difference between the fair value of the consideration paid and the carrying amount of the non-controlling interest acquired is recognised directly in equity. No changes are made to the carrying value of assets, liabilities or provisions for contingent liabilities. All intra-Group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with associates to the extent of the Group's interests in the entity. Goodwill arising on consolidation, representing the excess of the fair values of the consideration given over the fair values of the identifiable net assets acquired, is capitalised. Uniform accounting policies have been used throughout the group. The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not included its individual statement of comprehensive income.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Turnover from the sale of vehicles is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the vehicle. Interest income is recognised using the effective interest rate method. Rentals are charged in line with property leases. At this point turnover can be measured reliably and economic benefits associated with the transactions are transferred. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill and business combinations

Business combinations are accounted for by applying the purchase method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction. Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination. On acquisition of a business, fair values are attributed to the unidentifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities. Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired. On acquisition, goodwill is allocated to cash-generating units (CGUs) that are expected to benefit from the combination. Goodwill is amortised over its expected useful life. Where Group is unable to make reliable estimate of useful life, goodwill is amortised its useful life, 20 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply. During the year, the group acquired a new 100% owned subsidiary. Post acquisition, the assets and liabilities were adjusted to reflect fair values. All assets and liabilities were transferred between the group members. No gain or loss on the group consolidated results of this distribution to fellow group members.

Amortisation

Negative goodwill is arising from the consolidation of the group is amortised over its useful life estimated at 20 years.

Goodwill	-	20 years
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land & buildings	-	2%
Plant & machinery	-	3 - 50 years
Motor vehicles	-	1 - 4 years

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. TURNOVER

Turnover arises from:

	2018	2017
		<i>(restated)</i>
	£	£
Vehicle Sales	67,406,928	64,952,390
Parts and Service sales	6,290,827	6,678,302
Other sales	3,096,830	2,076,600
Rental income	38,485	106,807
	<u>76,833,070</u>	<u>73,814,099</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. OTHER OPERATING INCOME

	2018	2017
		<i>(restated)</i>
	£	£
Other operating income	159,639	167,883
	<u>-----</u>	<u>-----</u>

6. OPERATING PROFIT

Operating profit or loss is stated after charging/crediting:

	2018	2017
		<i>(restated)</i>
	£	£
Amortisation of intangible assets	(92,140)	(106,118)
Depreciation of tangible assets	271,425	251,054
Gains on disposal of tangible assets	(41,321)	(53,987)
Impairment of trade debtors	(843)	4,562
Operating lease rentals	202,600	210,263
Defined contribution plans expense	165,736	150,278
	<u>-----</u>	<u>-----</u>

7. AUDITOR'S REMUNERATION

	2018	2017 (restated)
	£	£
Fees payable for the audit of the financial statements	26,600	25,360

8. STAFF COSTS

The average number of persons employed by the group during the year, including the director, amounted to:

	2018 No.	2017 No.
Production staff	73	69
Administrative staff	17	17
Number of sales staff	35	32
	125	118

The aggregate payroll costs incurred during the year, relating to the above, were:

	2018 £	2017 (restated) £
Wages and salaries	1,901,025	1,802,918
Social security costs	248,655	228,211
Other pension costs	165,736	150,278
	2,315,416	2,181,407

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £165,736 (2017: £150,278).

9. DIRECTOR'S REMUNERATION

The director's aggregate remuneration in respect of qualifying services was:

	2018 £	2017 (restated) £
Remuneration	8,874	8,412
Company contributions to defined contribution pension plans	40,000	37,305
	48,874	45,717

The number of directors who accrued benefits under company pension plans was as follows:

	2018 No.	2017 (restated) No.
Defined contribution plans	1	1

10. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2018 £	2017 (restated) £
Interest on cash and cash equivalents	16,927	20,257
Gain on fair value adjustment of financial assets at fair value through profit or loss	—	385,025
	16,927	405,282

11. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017 <i>(restated)</i>
	£	£
Interest on banks loans and overdrafts	9,328	14,427
Other interest payable and similar charges	75,821	78,488
	-----	-----
	85,149	92,915
	-----	-----

12. TAX ON PROFIT

Major components of tax income

	2018	2017 <i>(restated)</i>
	£	£
Current tax:		
UK current tax income	206,195	142,778
Adjustments in respect of prior periods	—	(52,005)
	-----	-----
Total current tax	206,195	90,773
	-----	-----
Deferred tax:		
Origination and reversal of timing differences	14,308	39,305
	-----	-----
Tax on profit	220,503	130,078
	-----	-----

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK of 19 % (2017: 19 %).

	2018	2017 <i>(restated)</i>
	£	£
Profit on ordinary activities before taxation	2,056,012	1,849,929
	-----	-----
Profit on ordinary activities by rate of tax	390,643	278,325
Adjustment to tax charge in respect of prior periods	2,655	(52,005)
Effect of expenses not deductible for tax purposes	(106,671)	(68,306)
Effect of capital allowances and depreciation	(80,433)	(64,592)
Utilisation of tax losses	1	—
Rounding on tax charge	14,308	36,656
	-----	-----
Tax on profit	220,503	130,078
	-----	-----

13. DIVIDENDS

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2018	2017 <i>(restated)</i>
	£	£
Dividends Paid	97,527	40,600
	-----	-----

14. INTANGIBLE ASSETS

Group	Goodwill £
Cost	
At 1 January 2018 (as restated) and 31 December 2018	(971,717)

Amortisation	
At 1 January 2018	(751,099)
Charge for the year	(92,140)

At 31 December 2018	(843,239)

Carrying amount	
At 31 December 2018	(128,478)

At 31 December 2017	(220,618)

The company has no intangible assets.

15. TANGIBLE ASSETS

Group	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2018 (as restated)	4,622,356	2,018,639	2,233,690	8,874,685
Additions	—	48,287	4,213,986	4,262,273
Disposals	—	(222,488)	(3,737,819)	(3,960,307)
	-----	-----	-----	-----
At 31 December 2018	4,622,356	1,844,438	2,709,857	9,176,651
	-----	-----	-----	-----
Depreciation				
At 1 January 2018	300,235	757,709	149,316	1,207,260
Charge for the year	—	76,041	195,384	271,425
Disposals	—	—	(76,325)	(76,325)
	-----	-----	-----	-----
At 31 December 2018	300,235	833,750	268,375	1,402,360
	-----	-----	-----	-----
Carrying amount				
At 31 December 2018	4,322,121	1,010,688	2,441,482	7,774,291
	-----	-----	-----	-----
At 31 December 2017	4,322,121	1,260,930	2,084,374	7,667,425
	-----	-----	-----	-----

The company has no tangible assets.

The Net Book values of land and buildings at 31st December 2018 comprised:

	2018	2017
	£	£
Leasehold investment property	1,192,829	1,192,829
Freehold land and buildings	3,379,292	2,399,613
	<u>4,572,121</u>	<u>3,592,442</u>

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in profit or loss. The methods and significant assumptions used to ascertain the fair value and fair value movement included in the profit/loss for the year are as follows: - For properties transferred in recent years for which valuations have been obtained, there is no reason to believe these have altered - For the remaining properties, discussions with the director have established that the values in the accounts are deemed reasonable based on his knowledge of current market conditions of similar properties in the area. Cost or valuation of land and buildings comprises:

	2018
	£
Cost	4,772,642
Valuations	99,714
	<u>4,872,356</u>

The comparable amounts determined according to the historical cost convention are as follows:

	2018
	£
Cost	4,772,642
Accumulated depreciation	(219,906)
As at 31.12.18	<u>4,552,736</u>
As at 31.12.17	<u>3,451,001</u>

16. INVESTMENTS

Group	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost			
At 1 January 2018 as restated	50	1,229,920	1,229,970
Additions	—	360,000	360,000
	<u>50</u>	<u>1,589,920</u>	<u>1,589,970</u>
At 31 December 2018	50	1,589,920	1,589,970
	<u>—</u>	<u>—</u>	<u>—</u>
Impairment			
At 1 January 2018 as restated and 31 December 2018	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>

Carrying amount			
At 31 December 2018	50	1,589,920	1,589,970
	---	-----	-----
At 31 December 2017	50	1,229,920	1,229,970
	---	-----	-----
Company			Shares in group undertakings
			£

Cost	
At 1 January 2018 as restated and 31 December 2018	1,824,294

Impairment	
At 1 January 2018 as restated and 31 December 2018	—

Carrying amount	
At 1 January 2018 and 31 December 2018	1,824,294

At 31 December 2017	1,824,294

Listed investments

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

Collective Investments

Other investment are collective unit trust investments. These have an easily obtainable valuation and are therefore measured at fair value.

Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
Gravells Limited	ordinary	100
JTG Enterprises Limited	ordinary	100
Morgan Homes Developments Limited	ordinary	50

17. STOCKS

	Group		Company	
	2018	2017	2018	2017
		<i>(restated)</i>		<i>(restated)</i>
	£	£	£	£
Raw materials and consumables	117,250	147,919	—	—
Finished goods and goods for resale	7,689,220	8,176,059	—	—
	-----	-----	---	---
	7,806,470	8,323,978	—	—
	-----	-----	---	---

18. DEBTORS

	Group		Company	
	2018	2017	2018	2017
		(restated)		(restated)
	£	£	£	£
Trade debtors	545,959	219,388	–	–
Amounts owed by group undertakings	–	–	2,299,571	2,299,571
Other debtors	2,307,427	1,640,955	462,844	462,844
	-----	-----	-----	-----
	2,853,386	1,860,343	2,762,415	2,762,415
	-----	-----	-----	-----

19. CREDITORS: amounts falling due within one year

	Group		Company	
	2018	2017	2018	2017
		(restated)		(restated)
	£	£	£	£
Bank loans and overdrafts	28,946	88,395	–	–
Trade creditors	7,986,407	6,566,952	–	–
Amounts owed to group undertakings	–	–	88,177	88,177
Amounts owed to undertakings in which the company has a participating interest	40,000	–	40,000	–
Accruals and deferred income	2,527,000	2,881,593	–	–
Corporation tax	206,195	142,778	–	–
Social security and other taxes	65,742	213,824	–	–
Other creditors	1,299,707	2,309,164	59,933	59,933
	-----	-----	-----	-----
	12,153,997	12,202,706	188,110	148,110
	-----	-----	-----	-----

The aggregate of secured liabilities falling due within one year is £28,946 (2017: £88,395)

20. CREDITORS: amounts falling due after more than one year

	Group		Company	
	2018	2017	2018	2017
		(restated)		(restated)
	£	£	£	£
Bank loans and overdrafts	149,944	178,954	–	–
Other creditors	40,907	245,089	–	–
	-----	-----	-----	-----
	190,851	424,043	–	–
	-----	-----	-----	-----

Included within creditors: amounts falling due after more than one year is an amount of £34,160 (2017: £Nil) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The bank loans and overdraft are secured by a fixed and floating charge over all of the assets of the group, together with a group cross guarantee.

The bank loans bear interest between 1.95-2.5% above the base rate per annum and are repayable between 36 and 120 months.

The pension scheme loan is secured over a property owned by the group. The loan bears interest at 1.5% above the base rate per annum.

The aggregate of secured liabilities falling due after one year is £184,104 (2017: £242,380)

21. PROVISIONS

Group	Deferred tax (note 22) £
At 1 January 2018 (as restated)	451,502
Additions	14,308
At 31 December 2018	465,810

The company does not have any provisions.

22. DEFERRED TAX

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2018	2017 (restated)	2018	2017 (restated)
	£	£	£	£
Included in provisions (note 21)	465,810	451,502	—	—

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2018	2017 (restated)	2018	2017 (restated)
	£	£	£	£
Accelerated capital allowances	465,810	451,502	—	—

23. EMPLOYEE BENEFITS

Other long-term employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £165,736 (2017: £150,278).

24. PRIOR PERIOD ERRORS

The fair value reserve and revaluation reserve has been adjusted back into 2017, in respect of the Clytha (Motors) Limited investment. The assets and liabilities were allocated to fellow group members but the reserves were not written off. This has now been done as a prior period adjustment.

25. CALLED UP SHARE CAPITAL

Issued, called up and fully paid

	2018		2017 (restated)	
	No.	£	No.	£
Ordinary shares of £ 1 each	20	20.00	20	20.00

26. RESERVES

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income. Profit and loss account - This reserve records retained earnings and accumulated losses.

27. TRANSACTIONS WITH DIRECTORS

Mr J Gravell has given a personal guarantee of £250,000 to RCI Financial Services in respect of borrowings of the company.

Mr J Gravell has also provided a personal guarantee of £400,000 to Hyundai Capital to cover all facilities provided.

28. FAIR VALUE RESERVE

The following movements on the fair value reserve are included within other reserves, including the fair value reserve in the statement of changes in equity:

	Group		Company	
	2018	2017	2018	2017
		<i>(restated)</i>		<i>(restated)</i>
	£	£	£	£
At start of year (as previously reported)	538,025	—	—	—
Prior period adjustments	(288,025)	—	—	—
	-----	----	----	----
At start of year (as restated)	250,000	—	—	—
Fair value movements on investment in subsidiaries	—	250,000	—	—
	-----	-----	----	----
At end of year	250,000	250,000	—	—
	-----	-----	----	----

29. CASH GENERATED FROM OPERATIONS

	2018	2017
		<i>(restated)</i>
	£	£
Profit for the financial year	1,835,509	1,719,851
<i>Adjustments for:</i>		
Depreciation of tangible assets	271,376	251,054
Amortisation of intangible assets	(92,140)	(106,118)
Other interest receivable and similar income	(16,927)	(405,282)
Interest payable and similar expenses	85,149	92,915
Gains on disposal of tangible assets	(41,321)	(53,987)
Tax on profit	220,503	130,078
Accrued (income)/expenses	(314,593)	1,114,770
<i>Changes in:</i>		
Stocks	517,508	(1,463,928)
Trade and other debtors	(993,043)	86,815
Trade and other creditors	57,734	184,681
	-----	-----
	1,529,755	1,550,849
	-----	-----

30. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2018	2017 <i>(restated)</i>	2018	2017 <i>(restated)</i>
	£	£	£	£
Not later than 1 year	40,000	40,000	—	—
Later than 1 year and not later than 5 years	80,000	120,000	—	—
	-----	-----	---	---
	120,000	160,000	—	—
	-----	-----	---	---

31. CONTINGENCIES

None.

32. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

At the year end the director, Mr J Gravell, owed £nil (2017: nil) to the company. No interest is being accrued on this balance.

33. RELATED PARTY TRANSACTIONS

Company

During the year the Group entered into transactions with related parties as follows: Other related parties

	2018	2017
	£	£
Balance owing (to) from	1,361,783	1,818,286
Rent paid	218,000	218,000

Within other related parties are amounts owing to the group's pension scheme. These are bearing market rate interest and are secured against group assets. Other related party balances bear no interest.

34. CONTROLLING PARTY

There is no ultimate controlling party.

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