Jascots Wine Merchants Limited

Directors' report and financial statements

For the year ended 30 April 2018

Registered number: 08887662

Company Information

Directors	I J Carter (appointed 1 June 2017) J S Charnock M T MacInnes A J Porter (appointed 1 May 2017) J J Scott
Registered number	08887662
Registered office	The Observatory Pinnacle House 260 Old Oak Common Lane London NW10 6DX
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Contents

Directors' report

For the year ended 30 April 2018

The directors present their Directors' report and the financial statements of Jascots Wine Merchants Limited ('the company') for the year ended 30 April 2018.

Principal activities

The principal activities of the company in the year under review were those of a specialist wines and wine services supplier to restaurants, hotels and caterers.

Directors

The directors who served during the year were:

I J Carter (appointed 1 June 2017)
J S Charnock
D M Hammond (resigned 9 March 2018)
M T MacInnes
A J Porter (appointed 1 May 2017)
J J Scott
D Thapa (resigned 19 May 2017)

Business review

Narrative

It was an interesting year for wine merchants that specialise in servicing the on-trade. Our clients, the hospitality sector, were dealing with a rising minimum wage, increased rents, business rate hikes and tighter consumer spending as well as increased cost of goods and staff leaving the UK due to the uncertainty of Brexit. This resulted in a customer led pricing squeeze, trading off both product and service quality.

Our buying activities were affected by a continued pressure on sterling. Further, in 2017 Europe had the worst harvest since World War II impacting industry wide availability and an increase in the cost of goods.

In sum, there has been unprecedented both buy and sell side margin pressures that have had to be managed with thought. This was most evident when Conviviality PLC entered into Administration in March 2018.

During the period we managed our costs carefully, re-budgeting when required and adjusting our plans accordingly. We had to continually balance our desire for considerable organic investment with the cash needs of the business. Relative to the market conditions, we negotiated well with our suppliers. Importantly, we were actively selective about the clients we worked with, choosing only to partner with stable businesses that offered us a sustainable relationship in the future. Whilst we have seen an erosion of margin we made a very deliberate decision to stay true to our value proposition. We resisted being drawn into high volume, low margin deals that would compromise our brand equity. This saw some long standing clients move away from our space but also saw new 'testimonial' clients move into it. We had the best ever year for new business wins but a slight reduction of turnover and a small pre-tax loss.

The main effort has remained developing the team as we believe it is people that make businesses what they are. The new management structure and leadership development we reported last year has met with mixed results although it has helped to identify those managers who needed longer to advance. During the last 18 months we have recruited better than ever and that is leading to improved outcomes across the group. We continue to coach, train and empower our people. The Board remains committed to the team and creating an environment for people to succeed. We are grateful for their continued application and professionalism.

In the summer of 2017 we implemented a rebrand which has been universally well received as a better representation of who we are and what we believe in. It has had a positive impact on prospects, clients, suppliers, our own team and recruits.

Looking forward we have recognised that there is strong demand within UK hospitality for a specialist wine distributor that can combine a high level of professionalism, reliable service and wines of real quality. Customer choice is being restricted currently by the consolidation of the larger players proliferation of smaller importers of esoteric product that lack the infrastructure of more mature businesses. Our response to this has been to keep driving forward progress in our business processes (eg BRC accreditation) and service proposition alongside growing our wine portfolio with high-quality, unique and exclusive growers from around the world; Jascots will be known for being the place to discover exciting wines and the trusted partner with "blue chip" professional credentials.

Directors' report (continued)
For the year ended 30 April 2018

Narrative (continued)

As the financial year came to a close we started to see the work we have done over the year yielding higher turnover and margin which has continued into the current year in spite of the still challenging market conditions. The sum of all that we have delivered together as a team has continued to build real value in the brand and moves us towards our vision as we strive to be recognised as the UK on-trade's favourite wine supplier.

We are all really looking forward to next year.

Clients

- Over 50% of total business by value is now under contract.

- Record year for new business wins.

- Improved Net Promoter Score from 77% to 83%.

People

- Ian Carter was appointed a director on 1 June 2017 in the role of Director People, Process & Projects. This has resulted in saving all managers time with HR expertise more readily available and representation at Board level.

- Our latest leadership and development programme concluded successfully in the Autumn of 2017.

- Improvements have been made in leadership style towards the end of the period and the Logistics team have been better empowered.

Product Development and Marketing

- Adam Porter was appointed as Buying & Marketing Director on 1 May 2017 and has continued to make significant improvements to product development and marketing.

- We implemented the visual elements of our brand revision which includes a new website and new visual language including logos. This was the final stage of a project that thoroughly defined our purpose, mission, vision and values and articulated it in a coherent brand across all media.

- New business generated from marketing is tracking nearly 40% up year on year.

- 41 product medals in year including 4 Gold, 8 Silver, 15 Bronze (rest commended) across the IWC and SWA competitions with a 80% hit rate.

- Listed 85 new wines at a September 2017 launch and since. 90% of these are brand new to the UK and exclusive to Jascots, and 20 of these are Organic or Biodynamic.

- 200 prospect wine lists analysed this year and used to inform client and corporate commercial strategy.

- This year we achieved Soil Association Certification which gives us an EU Organic licence. Our licence gives us certification of the legal compliance needed to import organic products from outside the EU and to market them as organic.

Organisation and Infrastructure

- Both internal and subcontracted logistics did not perform to the required standard this year and we have restructured how this is managed as a result.

- The creation of a new role, Financial Planning & Analysis Manager has resulted in improved understanding and efficiencies.

- We achieved accreditation for the British Retail Consortium (BRC) Global Standard for Storage and Distribution.

- We re-certified OHSAS18001 and ISO14001 for a further 3 years.

Environmental - 2016

- For 2017, our carbon footprint was 92 tonCO2e, independently verified by the Carbon Trust. CO2 that could not be reduced was once again offset through the purchase of carbon credits.

Directors' report (continued)
For the year ended 30 April 2018

Awards

- Shortlisted IWC on-trade supplier of the year 2017.

WineEd Limited (Registered number: 10244628)

WineEd continues to deliver practical online and offline wine coaching for the modern hospitality professional and is the UK's first OFQUAL accredited wine training company dedicated to hospitality.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

J S Charnock
Director

Date: 27 November 2018

Buzzacott
CHARTERED ACCOUNTANTS

Independent auditor's report to the members of Jascots Wine Merchants Limited
For the year ended 30 April 2018

Opinion

We have audited the financial statements of Jascots Wine Merchants Limited (the 'company') for the year ended 30 April 2018, which comprise the Statement of comprehensive income, the Statement of financial position 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Independent auditor's report to the members of Jascots Wine Merchants Limited (continued)

For the year ended 30 April 2018

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Buzzacott
CHARTERED ACCOUNTANTS

Independent auditor's report to the members of Jascots Wine Merchants Limited (continued)

For the year ended 30 April 2018

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.

Buzzacott LLP

Katherine White (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 27 November 2018

Statement of comprehensive income
For the year ended 30 April 2018

	Note	2018 £	2017 £
Revenue		**8,994,811**	9,170,560
Cost of sales		**(7,752,820)**	(7,649,816)
Gross profit		**1,241,991**	1,520,744
Administrative expenses		**(1,051,266)**	(1,028,056)
Other operating charges	3	**(199,883)**	(235,997)
Operating (loss)/profit		**(9,158)**	256,691
Interest receivable and similar income		**6**	39
(Loss)/profit before tax		**(9,152)**	256,730
Tax on (loss)/profit		**(15,680)**	(54,751)
(Loss)/profit for the financial year		**(24,832)**	201,979
Other comprehensive income for the year			
Purchase of own shares		**(373)**	-
Total comprehensive income for the year		**(25,205)**	201,979

The notes on pages 9 to 15 form part of these financial statements.

Statement of financial position
As at 30 April 2018

	Note		2018 £		2017 £
Fixed assets					
Intangible assets	5		207,200		236,800
Tangible assets	6		232,162		251,319
Investments	7		1		1
			439,363		488,120
Current assets					
Stocks		1,222,739		1,345,972	
Debtors	8	1,316,903		1,168,874	
Cash at bank and in hand		44,345		54,901	
		2,583,987		2,569,747	
Creditors: amounts falling due within one year	9	(2,708,089)		(2,712,071)	
Net current liabilities			(124,102)		(142,324)
Total assets less current liabilities			315,261		345,796
Provisions for liabilities					
Deferred taxation		(11,771)		(17,101)	
			(11,771)		(17,101)
Net assets			303,490		328,695
Capital and reserves					
Called up share capital			107		111
Capital redemption reserve			4		-
Profit and loss account			303,379		328,584
			303,490		328,695

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

J S Charnock
Director

Date: 27 November 2018

The notes on pages 9 to 15 form part of these financial statements.

Notes to the financial statements
For the year ended 30 April 2018

1. General information

Jascots Wine Merchants Limited is a company limited by shares and registered in England and Wales. The registered office is The Observatory, Pinnacle House, 260 Old Oak Common Lane, London, NW10 6DX. The registered number is 08887662.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

At 30 April 2018, the company's current liabilities exceeded its current assets. The directors have considered the future cash flows of the company and, using conservative estimates for turnover, and on the basis of sources of funding available, have concluded that the company is in a position to meet its debts as they fall due for a period of at least 12 months from the date of approval of these financial statements. Therefore the directors have adopted the going concern basis in preparing these financial statements.

On the basis of their estimated cash flow projections, the directors consider that it is unlikely that the sources of funding currently available will be withdrawn. If this was to happen, the going concern basis used in preparing the company's financial statements may be invalid and adjustments would have to be made to reduce the value of the company's assets to their realisable amount and to provide for any further liabilities that might arise. The financial statements do not include any adjustments to the company's assets or liabilities that might be necessary should this basis not continue to be appropriate.

2.3 Revenue

Revenue is generated through the sale of goods and the rendering of hospitality services. The revenue represents the amounts invoiced, excluding value added tax. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has delivered the goods to the buyer, transferring the significant risks and rewards of ownership;
- the amount of revenue can be measured reliably; and
- it is probable that the company will receive the consideration due under the transaction.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Notes to the financial statements
For the year ended 30 April 2018

2. Accounting policies (continued)

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to profit or loss over its useful economic life of ten years.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	25% straight line per annum on cost
Motor vehicles	-	25% straight line per annum on cost
Fixtures and fittings	-	15% straight line per annum on cost
Computer equipment	-	33% straight line per annum on cost
Leasehold improvements	-	Over remaining period of lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Notes to the financial statements
For the year ended 30 April 2018

2. Accounting policies (continued)

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.13 Operating leases

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

Notes to the financial statements
For the year ended 30 April 2018

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.15 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.16 Current and deferred taxation

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

3. Other operating charges

Other operating charges relate to a provision against amounts due from WineEd Limited (registered number 10244628), a 100% subsidiary of Jascots Wine Merchants Limited, which is in its early stages of trading.

	2018	2017
	£	£
Other operating charges	**(199,883)**	(235,997)

4. Average number of employees

The average monthly number of employees, including directors, during the year was 41 (2017 - 40).

Notes to the financial statements
For the year ended 30 April 2018

5. Intangible assets

	Goodwill £
Cost	
At 1 May 2017	296,000
At 30 April 2018	296,000
Amortisation	
At 1 May 2017	59,200
Charge for the year	29,600
At 30 April 2018	88,800
Net book value	
At 30 April 2018	207,200
At 30 April 2017	236,800

6. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Leasehold improvements £	Total £
Cost or valuation						
At 1 May 2017	8,938	77,836	11,520	23,772	174,663	296,729
Additions	18,524	-	1,387	-	18,321	38,232
At 30 April 2018	27,462	77,836	12,907	23,772	192,984	334,961
Depreciation						
At 1 May 2017	1,944	32,868	1,372	9,226	-	45,410
Charge for the year	4,433	19,459	1,901	7,924	23,672	57,389
At 30 April 2018	6,377	52,327	3,273	17,150	23,672	102,799
Net book value						
At 30 April 2018	21,085	25,509	9,634	6,622	169,312	232,162
At 30 April 2017	6,994	44,968	10,148	14,546	174,663	251,319

Notes to the financial statements
For the year ended 30 April 2018

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 May 2017	1
At 30 April 2018	1
Net book value	
At 30 April 2018	1
At 30 April 2017	1

Subsidiary undertakings

The following was a subsidiary undertaking of the company:

Name	Class of shares	Holding	Principal activity
WineEd Limited	Ordinary	100 %	Provision of training in hospitality

The registered office of WineEd Limited is The Observatory, Pinnacle House, 260 Old Oak Common Lane, London, NW10 6DX.

8. Debtors

	2018 £	2017 £
Trade debtors	**1,133,150**	1,082,546
Other debtors	**183,753**	86,328
	1,316,903	1,168,874

Notes to the financial statements
For the year ended 30 April 2018

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	**725,704**	855,785
Corporation tax	**22,145**	38,392
Other taxation and social security	**283,335**	242,730
Other creditors	**1,442,908**	1,321,254
Accruals and deferred income	**233,997**	253,910
	2,708,089	2,712,071

Other creditors includes £583,339 (2017 - £430,000) secured against the company's stock and £622,692 (2017 - £723,958) secured against the company's trade debtors.

10. Contingent liabilities

There were no contingent liabilities at 30 April 2018 or 30 April 2017.

11. Capital commitments

The company had no capital commitments at 30 April 2018 or 30 April 2017.

12. Commitments under operating leases

At 30 April 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	**134,598**	134,598
Later than 1 year and not later than 5 years	**403,794**	538,392
	538,392	672,990

13. Related party transactions

During the year, Sarastro Property Company Limited charged the company £136,596 (2017 - £136,596) in relation to rental costs and £26,821 (2017 - £41,400) was charged to Sarastro Property Company Limited in relation to management costs.

At the reporting date, £nil (2016 - £145,343) was owed to Sarastro Property Company Limited.

Sarastro Property Company Limited is considered to be a related party by virtue of being controlled by a director of the company.