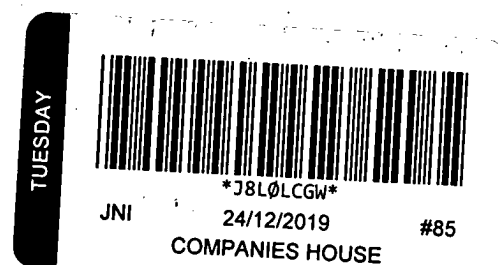


Company Registration No. NI072179 (Northern Ireland)

DICKSON & CO (NI) LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



DICKSON & CO (NI) LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | Mr. Ashley Dickson Ms. Ruth Dickson Ms. Jacqueline Elliott |
| Secretary | Ms. Ruth Dickson |
| Company number | NI072179 |
| Registered office | 54 Dromore Road Omagh Co. Tyrone Northern Ireland BT78 1RB |
| Auditor | PKF-FPM Accountants Limited Howard House 30 Northland Row Dungannon Co. Tyrone BT71 6AP |
| Bankers | Danske Bank Omagh 5-7 Market Street Omagh Co. Tyrone BT78 1BN |
| Solicitors | Cleaver Fulton Rankin 50 Bedford Street Belfast Co Antrim BT2 7FW |

DICKSON & CO (NI) LIMITED

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DICKSON & CO (NI) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present the strategic report for the year ended 31 March 2019.

Fair review of the business

The principal activity of the group during the year was acting as an insurance broker and property rental.

Turnover has increased by 2.8% to £3.1m (2018: £3.0m). Overall, a net profit before tax of £505k was achieved for the year ended 31 March 2019 compared to a net profit before tax of £1,019k for the year ended 31 March 2018. The group asset base remains strong with net assets of £2.9m at 31 March 2019 (2018: £2.8m). The group directors are satisfied with the group's performance in the year and the emphasis going forward continues to be securing turnover that will result in sustainable growth and profitability.

The group's key performance indicators are as follows:

| | 2019 | 2018 |
|----------------------|-------------|-------------|
| Sales | 3.1m | 3.0m |
| Shareholders' equity | £2.9m | £2.8m |

Principal risks and uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks. Performance in the sector is affected by general economic conditions and specific sectorial factors associated with the worldwide insurance market. The board is aware of competitor activity, market trends and forecasts and customer requirements. Insurance capacity availability and pricing are other sectorial risks faced.

Financial risk management

The group's operations expose it to a variety of financial risks that include the effects of changes in credit risk, price risk and liquidity risk. The company has in place a risk management programme that seeks to limit their adverse effects on its financial performance.

Credit risk

The group has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to individual customers is subject to a limit, which is reassessed regularly by the board.

Price risk

The group maintains a wide panel of insurance providers to ensure it remains competitive within the market and therefore address any associated price risk.

Liquidity risk


The group actively maintains a mixture of long terms and short term debt finance that is designed to ensure that it has sufficient available funds for operations and planned expansions.

DICKSON & CO (NI) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

On behalf of the board



Mr. Ashley Dickson
Director

20 December 2019

DICKSON & CO (NI) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Directors

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

Mr. Ashley Dickson
Ms. Ruth Dickson
Ms. Jacqueline Elliott

Results and dividends

The results for the year are set out on page 10.

Ordinary dividends were paid amounting to £239,458. The directors do not recommend payment of a further dividend.

Auditor

PKF-FPM Accountants Limited were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DICKSON & CO (NI) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Statement of disclosure to auditor

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

Comparatives

Certain comparative amounts have been restated for representational purposes only. The adjustments have no impact on reported results for the year ended 31 March 2018 nor on the total Shareholders funds as at 31 March 2018.

On behalf of the board



Mr. Ashley Dickson
Director



Ms. Ruth Dickson
Director

20 December 2019

DICKSON & CO (NI) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DICKSON & CO (NI) LIMITED

The purpose of our audit work and to whom we owe our responsibilities

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.

Opinion

We have audited the financial statements of Dickson & Co (NI) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

DICKSON & CO (NI) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DICKSON & CO (NI) LIMITED

Basis for opinion

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

Conclusions relating to going concern

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

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

DICKSON & CO (NI) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DICKSON & CO (NI) LIMITED

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

DICKSON & CO (NI) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DICKSON & CO (NI) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

DICKSON & CO (NI) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DICKSON & CO (NI) LIMITED

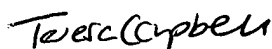
Auditor's responsibilities for the audit of the financial statements

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

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

Other matters which we are required to address

In the previous accounting period the directors of the company took advantage of audit exemption under s477 of the Companies Act. Therefore the prior period financial statements were not subject to audit.



Teresa Campbell (Senior Statutory Auditor)
for and on behalf of PKF-FPM Accountants Limited

Chartered Accountants

Statutory Auditors

Howard House
30 Northland Row
Dungannon
Co. Tyrone
BT71 6AP

20 December 2019

DICKSON & CO (NI) LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

| | | 2019 | 2018 |
|---|--------------|-------------|-------------|
| | Notes | £ | £ |
| Turnover | 3 | 3,111,108 | 3,025,101 |
| Administrative expenses | | (2,395,437) | (2,036,193) |
| Other operating income | | 100,657 | 67,721 |
| Exceptional item | 4 | (260,542) | - |
| Operating profit | 5 | 555,786 | 1,056,629 |
| Share of results of associates and joint ventures | | 11,285 | 16,009 |
| Interest receivable and similar income | 9 | 1,372 | 1,145 |
| Interest payable and similar expenses | 10 | (52,491) | (38,563) |
| Profit before taxation | | 515,952 | 1,035,220 |
| Tax on profit | 11 | (166,508) | (202,846) |
| Profit for the financial year | | 349,444 | 832,374 |

Profit for the financial year is all attributable to the owners of the parent company.

DICKSON & CO (NI) LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

| | 2019 | 2018 |
|---|---------|---------|
| | £ | £ |
| Profit for the year | 349,444 | 832,374 |
| Other comprehensive income | - | - |
| | <hr/> | <hr/> |
| Total comprehensive income for the year | 349,444 | 832,374 |
| | <hr/> | <hr/> |

Total comprehensive income for the year is all attributable to the owners of the parent company.

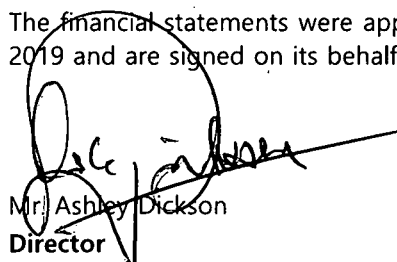
DICKSON & CO (NI) LIMITED

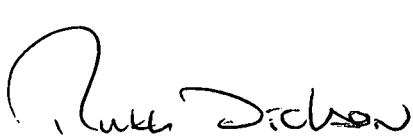
GROUP BALANCE SHEET

AS AT 31 MARCH 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|--|-------|------------------|---|------------------|---|
| Fixed assets | | | | | |
| Goodwill | 12 | 1,089,175 | | 1,160,129 | |
| Tangible assets | 13 | 1,525,856 | | 1,821,695 | |
| Investments | 14 | 32,294 | | 21,009 | |
| | | <u>2,647,325</u> | | <u>3,002,833</u> | |
| Current assets | | | | | |
| Debtors | 17 | 2,214,104 | | 2,012,048 | |
| Cash at bank and in hand | | 1,440,850 | | 1,116,548 | |
| | | <u>3,654,954</u> | | <u>3,128,596</u> | |
| Creditors: amounts falling due within one year | 18 | (2,621,782) | | (2,664,534) | |
| Net current assets | | <u>1,033,172</u> | | <u>464,062</u> | |
| Total assets less current liabilities | | <u>3,680,497</u> | | <u>3,466,895</u> | |
| Creditors: amounts falling due after more than one year | 19 | (761,704) | | (667,995) | |
| Provisions for liabilities | 22 | (18,355) | | (8,447) | |
| Net assets | | <u>2,900,438</u> | | <u>2,790,453</u> | |
| Capital and reserves | | | | | |
| Called up share capital | 24 | 36,002 | | 36,002 | |
| Profit and loss reserves | | 2,864,436 | | 2,754,451 | |
| Total equity | | <u>2,900,438</u> | | <u>2,790,453</u> | |

The financial statements were approved by the board of directors and authorised for issue on 20 December 2019 and are signed on its behalf by:


Mr. Ashley Dickson
Director


Ms. Ruth Dickson
Director

DICKSON & CO (NI) LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2019

| | | 2019 | | 2018 | |
|--|-------|------------------|------------------|------------------|------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Goodwill | 12 | | 1,042,667 | | 1,110,667 |
| Tangible assets | 13 | | 868,926 | | 990,909 |
| Investments | 14 | | 157,679 | | 157,679 |
| | | | <u>2,069,272</u> | | <u>2,259,255</u> |
| Current assets | | | | | |
| Debtors | 17 | 2,727,229 | | 2,509,899 | |
| Cash at bank and in hand | | 1,264,385 | | 994,191 | |
| | | <u>3,991,614</u> | | <u>3,504,090</u> | |
| Creditors: amounts falling due within one year | 18 | (2,540,092) | | (2,648,999) | |
| Net current assets | | | 1,451,522 | | 855,091 |
| Total assets less current liabilities | | | <u>3,520,794</u> | | <u>3,114,346</u> |
| Creditors: amounts falling due after more than one year | 19 | | (470,337) | | (495,604) |
| Provisions for liabilities | 22 | | (16,440) | | (6,180) |
| Net assets | | | <u>3,034,017</u> | | <u>2,612,562</u> |
| Capital and reserves | | | | | |
| Called up share capital | 24 | | 36,002 | | 36,002 |
| Profit and loss reserves | | | 2,998,015 | | 2,576,560 |
| Total equity | | | <u>3,034,017</u> | | <u>2,612,562</u> |

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £628,913 (2018 - £736,555 profit).

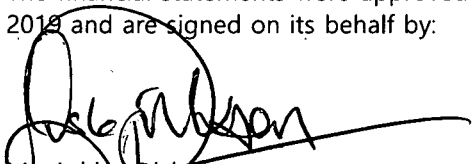
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

DICKSON & CO (NI) LIMITED


COMPANY BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The financial statements were approved by the board of directors and authorised for issue on 20 December 2019 and are signed on its behalf by:



Mr. Ashley Dickson
Director



Ms. Ruth Dickson
Director

Company Registration No.

DICKSON & CO (NI) LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

| | Notes | Share capital £ | Profit and loss reserves £ | Total £ |
|--|-------|--------------------|-------------------------------|------------|
| Balance at 1 April 2017 | | 36,002 | 2,061,139 | 2,097,141 |
| Year ended 31 March 2018: | | | | |
| Profit and total comprehensive income for the year | | - | 832,374 | 832,374 |
| Dividends | | - | (139,062) | (139,062) |
| Balance at 31 March 2018 | | 36,002 | 2,754,451 | 2,790,453 |
| Year ended 31 March 2019: | | | | |
| Profit and total comprehensive income for the year | | - | 349,444 | 349,444 |
| Dividends | | - | (239,458) | (239,458) |
| Balance at 31 March 2019 | | 36,002 | 2,864,436 | 2,900,439 |

DICKSON & CO (NI) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

| | Notes | Share capital £ | Profit and loss reserves £ | Total £ |
|--|-------|--------------------|-------------------------------|------------|
| Balance at 1 April 2017 | | 36,002 | 1,966,317 | 2,002,319 |
| Year ended 31 March 2018: | | | | |
| Profit and total comprehensive income for the year | | - | 736,555 | 736,555 |
| Dividends | | - | (126,312) | (126,312) |
| Balance at 31 March 2018 | | 36,002 | 2,576,560 | 2,612,562 |
| Year ended 31 March 2019: | | | | |
| Profit and total comprehensive income for the year | | - | 628,913 | 628,913 |
| Dividends | | - | (207,458) | (207,458) |
| Balance at 31 March 2019 | | 36,002 | 2,998,015 | 3,034,017 |

DICKSON & CO (NI) LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

| | Notes | 2019 £ | £ | 2018 £ | £ |
|---|-------|------------------|---|------------------|---|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 26 | 861,552 | | 799,934 | |
| Interest paid | | (52,491) | | (38,563) | |
| Taxes paid | | (204,503) | | (259,121) | |
| Net cash inflow from operating activities | | 604,558 | | 502,250 | |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (203,256) | | (263,175) | |
| Proceeds on disposal of tangible fixed assets | | 11,500 | | 8,997 | |
| Proceeds from other investments and loans | | 9,931 | | - | |
| Interest received | | 1,372 | | 1,145 | |
| Net cash used in investing activities | | (180,453) | | (253,033) | |
| Financing activities | | | | | |
| Movement of bank loans | | 131,127 | | (102,741) | |
| Movement of finance leases obligations | | 6,470 | | (10,062) | |
| Dividends paid to equity shareholders | | (239,458) | | (139,062) | |
| Net cash used in financing activities | | (101,861) | | (251,865) | |
| Net increase/(decrease) in cash and cash equivalents | | 322,244 | | (2,648) | |
| Cash and cash equivalents at beginning of year | | 1,103,892 | | 1,106,540 | |
| Cash and cash equivalents at end of year | | 1,426,136 | | 1,103,892 | |
| Relating to: | | | | | |
| Cash at bank and in hand | | 1,440,850 | | 1,116,548 | |
| Bank overdrafts included in creditors payable within one year | | (14,714) | | (12,656) | |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Dickson & Co (NI) Limited ("the company") is a private limited company domiciled and incorporated in Northern Ireland. The registered office is 54 Dromore Road, Omagh, Co. Tyrone, Northern Ireland.

The group consists of Dickson & Co (NI) Limited and all of its subsidiaries.

The subsidiary companies included in the financial statements are as follows:

1. Dickson & Co Properties Limited, whose principal activity is that of real estate agents, is 100% owned by Dickson & Co (NI) Limited; and
2. Wallace & Dickson (Cookstown) Limited, whose principal activity is that of an insurance intermediary, is ultimately 100% owned by Dickson & Co (NI) Limited.

The above subsidiaries have accounting years ended 31 March 2019 and have been included in the consolidation.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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

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

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.2 Basis of consolidation

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

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

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

All financial statements are made up to 31 March 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

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

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

1.3 Going concern

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

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business. Income relating to insurance broking is brought into account at the earlier of, the policy inception date or when the policy placement has been completed and confirmed.

Fees and other income receivable are recognised in the period to which they relate and when they can be measured with reasonable certainty.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 25 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------|----------------------|
| Freehold land and buildings | Nil Depreciation |
| Plant and equipment | 20% Reducing balance |
| Fixtures and fittings | 20% Reducing balance |
| Motor vehicles | 20% Reducing balance |

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

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.7 Fixed asset investments

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

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

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

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

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

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

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

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

1.8 Impairment of fixed assets

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

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

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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

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

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

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Other financial assets

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

Impairment of financial assets

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

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

Classification of financial liabilities

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

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.11 Equity instruments

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

1.12 Taxation

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

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Current tax

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

Deferred tax

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

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

1.13 Employee benefits

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

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

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

1.14 Retirement benefits

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

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.15 Leases

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

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

1.16 Comparatives

Certain comparative amounts have been restated for representational purposes only. The adjustments have no impact on reported results for the year ended 31 March 2018 nor on the total Shareholders funds as at 31 March 2018.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

| | 2019 | 2018 |
|---|-------------------|-------------------|
| | £ | £ |
| Turnover analysed by class of business | | |
| Rendering of services | 3,111,108 | 3,025,101 |
| | <u> </u> | <u> </u> |
| | 2019 | 2018 |
| | £ | £ |
| Other significant revenue | | |
| Interest income | 1,372 | 1,145 |
| Management Income | 100,657 | 67,721 |
| | <u> </u> | <u> </u> |

Income relates to the company's principal activity which is carried out in the United Kingdom.

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

| 4 | Exceptional item | 2019 | 2018 |
|---|------------------|------|------|
| | | £ | £ |

| | | |
|---|---------|---|
| Exceptional Item - Impairment of Property | 260,542 | - |
|---|---------|---|

Following a recent valuation, the value of the property is determined to be £550,000. The value of the property in the accounts is considered therefore to be impaired and £260,542 is to be written off in the year end 31 March 2019.

| 5 | Operating profit | 2019 | 2018 |
|---|------------------|------|------|
| | | £ | £ |

Operating profit for the year is stated after charging:

| | | |
|---|---------|--------|
| Depreciation of owned tangible fixed assets | 57,765 | 50,950 |
| Impairment of owned tangible fixed assets | 260,542 | - |
| Loss on disposal of tangible fixed assets | 8,488 | 4,498 |
| Amortisation of intangible assets | 70,954 | 70,954 |

| 6 | Auditor's remuneration | 2019 | 2018 |
|---|------------------------|------|------|
| | | £ | £ |

Fees payable to the company's auditor and associates:

For audit services

| | | |
|---|-------|---|
| Audit of the financial statements of the group and company | 3,950 | - |
| Audit of the financial statements of the company's subsidiaries | 5,000 | - |
| | 8,950 | - |

7 Employees

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

| | Group 2019 Number | 2018 Number | Company 2019 Number | 2018 Number |
|----------------|-------------------------|----------------|---------------------------|----------------|
| Administration | 63 | 54 | 54 | 44 |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Employees

(Continued)

Their aggregate remuneration comprised:

| | Group 2019 £ | 2018 £ | Company 2019 £ | 2018 £ |
|--------------------|--------------------|------------------|----------------------|------------------|
| Wages and salaries | 1,401,962 | 1,219,967 | 1,213,245 | 1,032,554 |
| Pension costs | 17,273 | 22,664 | 15,359 | 21,194 |
| | <u>1,419,235</u> | <u>1,242,631</u> | <u>1,228,604</u> | <u>1,053,748</u> |

8 Directors' remuneration

| | 2019 £ | 2018 £ |
|--------------------------------------|----------------|---------------|
| Remuneration for qualifying services | <u>107,669</u> | <u>70,950</u> |

9 Interest receivable and similar income

| | 2019 £ | 2018 £ |
|---------------------------|--------------|--------------|
| Interest income | | |
| Interest on bank deposits | <u>1,372</u> | <u>1,145</u> |

10 Interest payable and similar expenses

| | 2019 £ | 2018 £ |
|--|---------------|---------------|
| Interest on bank overdrafts and loans | 49,590 | 36,233 |
| Interest on finance leases and hire purchase contracts | <u>2,901</u> | <u>2,330</u> |
| Total finance costs | <u>52,491</u> | <u>38,563</u> |

11 Taxation

| | 2019 £ | 2018 £ |
|--|----------------|----------------|
| Current tax | | |
| UK corporation tax on profits for the current period | <u>156,601</u> | <u>204,057</u> |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

11 Taxation

(Continued)

| | 2019 £ | 2018 £ |
|--|-------------------|-------------------|
| Deferred tax | | |
| Origination and reversal of timing differences | 9,907 | (1,211) |
| | <u> </u> | <u> </u> |
| Total tax charge | 166,508 | 202,846 |
| | <u> </u> | <u> </u> |

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

| | 2019 £ | 2018 £ |
|--|-------------------|-------------------|
| Profit before taxation | 515,952 | 1,035,220 |
| | <u> </u> | <u> </u> |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%) | 98,031 | 196,692 |
| Tax effect of expenses that are not deductible in determining taxable profit | 78,469 | 13,264 |
| Group relief | 2,981 | - |
| Permanent capital allowances in excess of depreciation | (22,881) | (6,865) |
| Deferred Tax Movement | 9,908 | (245) |
| | <u> </u> | <u> </u> |
| Taxation charge | 166,508 | 202,846 |
| | <u> </u> | <u> </u> |

12 Intangible fixed assets

| | |
|------------------------------------|-------------------|
| Group | Goodwill |
| | £ |
| Cost | |
| At 1 April 2018 and 31 March 2019 | 1,773,833 |
| | <u> </u> |
| Amortisation and impairment | |
| At 1 April 2018 | 613,704 |
| Amortisation charged for the year | 70,954 |
| | <u> </u> |
| At 31 March 2019 | 684,658 |
| | <u> </u> |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

| | |
|------------------------------------|--------------------|
| 12 Intangible fixed assets | (Continued) |
| Carrying amount | |
| At 31 March 2019 | 1,089,175 |
| | <u> </u> |
| At 31 March 2018 | 1,160,129 |
| | <u> </u> |
| Company | Goodwill |
| | £ |
| Cost | |
| At 1 April 2018 and 31 March 2019 | 1,700,000 |
| | <u> </u> |
| Amortisation and impairment | |
| At 1 April 2018 | 589,333 |
| Amortisation charged for the year | 68,000 |
| | <u> </u> |
| At 31 March 2019 | 657,333 |
| | <u> </u> |
| Carrying amount | |
| At 31 March 2019 | 1,042,667 |
| | <u> </u> |
| At 31 March 2018 | 1,110,667 |
| | <u> </u> |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

13 Tangible fixed assets

| Group | Freehold land and buildings £ | Plant and equipment £ | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|------------------------------------|-------------------------------------|-----------------------------|-------------------------------|------------------------|------------|
| Cost | | | | | |
| At 1 April 2018 | 1,617,896 | 62,415 | 280,266 | 133,439 | 2,094,016 |
| Additions | 98,248 | 70,738 | 16,380 | 17,890 | 203,256 |
| Disposals | - | - | - | (44,445) | (44,445) |
| Transfers | (190,800) | - | - | 30,000 | (160,800) |
| At 31 March 2019 | 1,525,344 | 133,153 | 296,646 | 136,884 | 2,092,027 |
| Depreciation and impairment | | | | | |
| At 1 April 2018 | - | 13,074 | 175,844 | 83,403 | 272,321 |
| Depreciation charged in the year | - | 24,016 | 24,161 | 9,588 | 57,765 |
| Impairment losses | 260,542 | - | - | - | 260,542 |
| Eliminated in respect of disposals | - | - | - | (24,457) | (24,457) |
| At 31 March 2019 | 260,542 | 37,090 | 200,005 | 68,534 | 566,171 |
| Carrying amount | | | | | |
| At 31 March 2019 | 1,264,802 | 96,063 | 96,641 | 68,350 | 1,525,856 |
| At 31 March 2018 | 1,617,896 | 49,341 | 104,422 | 50,036 | 1,821,695 |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

13 Tangible fixed assets

(Continued)

| Company | Freehold land and buildings £ | Plant and equipment £ | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|------------------------------------|-------------------------------------|-----------------------------|-------------------------------|------------------------|------------|
| Cost | | | | | |
| At 1 April 2018 | 905,602 | 8,258 | 140,921 | 109,445 | 1,164,226 |
| Additions | - | 70,738 | 1,209 | 17,890 | 89,837 |
| Disposals | - | - | - | (44,445) | (44,445) |
| Transfers | (190,800) | - | - | 30,000 | (160,800) |
| At 31 March 2019 | 714,802 | 78,996 | 142,130 | 112,890 | 1,048,818 |
| Depreciation and impairment | | | | | |
| At 1 April 2018 | - | 2,243 | 93,430 | 77,644 | 173,317 |
| Depreciation charged in the year | - | 15,351 | 9,740 | 5,941 | 31,032 |
| Eliminated in respect of disposals | - | - | - | (24,457) | (24,457) |
| At 31 March 2019 | - | 17,594 | 103,170 | 59,128 | 179,892 |
| Carrying amount | | | | | |
| At 31 March 2019 | 714,802 | 61,402 | 38,960 | 53,762 | 868,926 |
| At 31 March 2018 | 905,602 | 6,015 | 47,491 | 31,801 | 990,909 |

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

| | Group 2019 £ | 2018 £ | Company 2019 £ | 2018 £ |
|----------------|--------------------|-----------|----------------------|-----------|
| Motor vehicles | 14,312 | 10,865 | 14,312 | 10,865 |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14 Fixed asset investments

| | Notes | Group 2019 £ | 2018 £ | Company 2019 £ | 2018 £ |
|---------------------------|-------|--------------------|---------------|----------------------|----------------|
| Investments in associates | 15 | 5,000 | 5,000 | 157,679 | 157,679 |
| Investments in associates | 16 | 27,294 | 16,009 | - | - |
| | | <u>32,294</u> | <u>21,009</u> | <u>157,679</u> | <u>157,679</u> |

Movements in fixed asset investments

| Group | Shares in group undertakings and participating interests £ |
|--------------------------|--|
| Cost or valuation | |
| At 1 April 2018 | 21,009 |
| Valuation changes | 11,285 |
| | <u>32,294</u> |
| At 31 March 2019 | |
| Carrying amount | |
| At 31 March 2019 | 32,294 |
| | <u>21,009</u> |
| At 31 March 2018 | |

Movements in fixed asset investments

| Company | Shares in group undertakings £ |
|-----------------------------------|---|
| Cost or valuation | |
| At 1 April 2018 and 31 March 2019 | 157,679 |
| | <u>157,679</u> |
| Carrying amount | |
| At 31 March 2019 | 157,679 |
| | <u>157,679</u> |
| At 31 March 2018 | |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

| Name of undertaking | Registered office | Class of shares held | % Held | |
|---------------------------------|-------------------|----------------------|--------|----------|
| | | | Direct | Indirect |
| Dickson & Co Properties Limited | Northern Ireland | Ordinary | 100.00 | |
| Wallace & Dickson (Cookstown) | Northern Ireland | Ordinary | 53.00 | 47.00 |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 Associates

Details of associates at 31 March 2019 are as follows:

| Name of undertaking | Registered office | Class of shares held | % Held Direct Indirect |
|----------------------------------|-------------------|----------------------|---------------------------|
| Wilson Insurance Brokers Limited | Northern Ireland | Ordinary | 25.00 |

17 Debtors

| | Group 2019 £ | 2018 £ | Company 2019 £ | 2018 £ |
|---|--------------------|------------------|----------------------|------------------|
| Amounts falling due within one year: | | | | |
| Trade debtors | 1,881,815 | 1,944,570 | 1,881,815 | 1,944,252 |
| Corporation tax recoverable | 62,010 | - | 62,010 | - |
| Amounts owed by group undertakings | - | - | 546,417 | 539,781 |
| Amounts owed by related parties | 211,200 | - | 211,200 | - |
| Other debtors | 8,653 | 23,540 | 8,818 | 13,378 |
| Prepayments and accrued income | 50,426 | 43,938 | 16,969 | 12,488 |
| | <u>2,214,104</u> | <u>2,012,048</u> | <u>2,727,229</u> | <u>2,509,899</u> |

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

18 Creditors: amounts falling due within one year

| | Notes | Group 2019 £ | 2018 £ | Company 2019 £ | 2018 £ |
|------------------------------------|-------|--------------------|------------------|----------------------|------------------|
| Bank loans and overdrafts | 20 | 162,746 | 118,255 | 95,926 | 91,908 |
| Obligations under finance leases | 21 | 3,851 | 2,396 | 3,851 | 2,396 |
| Trade creditors | | 2,150,398 | 2,102,139 | 2,150,398 | 2,102,139 |
| Amounts owed to group undertakings | | - | - | 25,315 | 50,756 |
| Corporation tax payable | | 218,611 | 204,503 | 209,646 | 185,650 |
| Other taxation and social security | | 48,873 | 34,319 | 23,795 | 20,578 |
| Amounts owed to related parties | | 8,310 | 168,775 | 8,310 | 168,775 |
| Accruals and deferred income | | 28,993 | 34,147 | 22,851 | 26,797 |
| | | <u>2,621,782</u> | <u>2,664,534</u> | <u>2,540,092</u> | <u>2,648,999</u> |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

18 Creditors: amounts falling due within one year

(Continued)

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

19 Creditors: amounts falling due after more than one year

| | Notes | Group 2019 £ | 2018 £ | Company 2019 £ | 2018 £ |
|----------------------------------|-------|--------------------|----------------|----------------------|----------------|
| Bank loans and overdrafts | 20 | 756,689 | 667,995 | 465,322 | 495,604 |
| Obligations under finance leases | 21 | 5,015 | - | 5,015 | - |
| | | <u>761,704</u> | <u>667,995</u> | <u>470,337</u> | <u>495,604</u> |

20 Loans and overdrafts

| | Group 2019 £ | 2018 £ | Company 2019 £ | 2018 £ |
|-------------------------|--------------------|----------------|----------------------|----------------|
| Bank loans | 904,721 | 773,594 | 546,534 | 574,856 |
| Bank overdrafts | 14,714 | 12,656 | 14,714 | 12,656 |
| | <u>919,435</u> | <u>786,250</u> | <u>561,248</u> | <u>587,512</u> |
| Payable within one year | 162,746 | 118,255 | 95,926 | 91,908 |
| Payable after one year | <u>756,689</u> | <u>667,995</u> | <u>465,322</u> | <u>495,604</u> |

The long-term loans are secured by a Floating Charge with Danske Bank Limited over the Group assets. There is a separate Fixed Charge over the Freehold Land and Premises held with Danske Bank Limited.

The balance due is repayable by quarterly instalments. Interest is charged at a fixed rate above LIBOR.

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

21 Finance lease obligations

| | Group 2019 £ | 2018 £ | Company 2019 £ | 2018 £ |
|---|--------------------|--------------|----------------------|--------------|
| Future minimum lease payments due under finance leases: | | | | |
| Within one year | 3,851 | 2,396 | 3,851 | 2,396 |
| In two to five years | 5,015 | - | 5,015 | - |
| | <u>8,866</u> | <u>2,396</u> | <u>8,866</u> | <u>2,396</u> |

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

22 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

| | Liabilities 2019 £ | Liabilities 2018 £ |
|--------------------------------|--------------------------|--------------------------|
| Group | | |
| Accelerated capital allowances | <u>18,355</u> | <u>8,447</u> |
| | | |
| | Liabilities 2019 £ | Liabilities 2018 £ |
| Company | | |
| Accelerated capital allowances | <u>16,440</u> | <u>6,180</u> |

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

22 Deferred taxation

(Continued)

| | Group 2019 £ | Company 2019 £ |
|-------------------------------|--------------------|----------------------|
| Movements in the year: | | |
| Liability at 1 April 2018 | 8,447 | 6,180 |
| Charge to profit or loss | 9,908 | 10,260 |
| Liability at 31 March 2019 | <u>18,355</u> | <u>16,440</u> |

23 Retirement schemes

| | 2019 £ | 2018 £ |
|---|---------------|---------------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | <u>17,273</u> | <u>22,664</u> |

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

24 Share capital

| | Group and company 2019 £ | 2018 £ |
|-----------------------------------|--------------------------------|---------------|
| Ordinary share capital | | |
| Issued and fully paid | | |
| 36,002 Ordinary shares of £1 each | <u>36,002</u> | <u>36,002</u> |

25 Related party transactions

DICKSON & CO (NI) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

25 Related party transactions

(Continued)

During the year a management charge of £79,309 (2018: £68,652) was charged by Dickson & Co (NI) Limited to a subsidiary.

During the year a management charge of £100,657 (2018: £67,721) was charged by Dickson & Co (NI) Limited to a company with common directors.

During the year sales include commissions from an associate of £292,373 (2018: £217,854).

During the year dividends were paid to directors of £239,458 (2018: £139,062).

At the year end 31 March 2019 there is a balance owed from related parties due to common ownership of £211,200 (2018: £Nil).

At the year end 31 March 2019 there is a balance owed to related parties due to common ownership of £8,310 (2018: £168,775).

26 Cash generated from group operations

| | 2019 £ | 2018 £ |
|--|----------------|----------------|
| Profit for the year after tax | 349,444 | 832,374 |
| Adjustments for: | | |
| Share of results of associates and joint ventures | (11,285) | (16,009) |
| Taxation charged | 166,508 | 202,846 |
| Finance costs | 52,491 | 38,563 |
| Investment income | (1,372) | (1,145) |
| Loss on disposal of tangible fixed assets | 8,488 | 4,498 |
| Amortisation and impairment of intangible assets | 70,954 | 70,954 |
| Depreciation and impairment of tangible fixed assets | 318,307 | 50,950 |
| Movements in working capital: | | |
| Decrease/(increase) in debtors | 10,823 | (359,272) |
| Decrease in creditors | (102,806) | (23,825) |
| Cash generated from operations | 861,552 | 799,934 |