REGISTERED NUMBER: 02582221 (England and Wales)

NEWLAND HOMES LIMITED

STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2016

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NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

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FOR THE YEAR ENDED 31 DECEMBER 2016

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NEWLAND HOMES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTORS:	Mr D Foreman Mr J N McCreadie Mr J D Drew Mrs M B Foreman
SECRETARY:	Mr D Foreman
REGISTERED OFFICE:	Brighouse Court Barnett Way Barnwood GLOUCESTER Gloucestershire GL4 3RT
REGISTERED NUMBER:	02582221 (England and Wales)
AUDITORS:	Morris Owen Statutory Auditors 43-45 Devizes Road SWINDON Wiltshire SN1 4BG

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their strategic report for the year ended 31 December 2016.

REVIEW OF BUSINESS

In our strategic report for the year ended 31st December 2015 we closed with the statement that 'As a result of the considerable investment in Work in Progress in 2014 and 2015, we are well placed to produce a very satisfactory increase in Turnover and Profit in 2016, increasing again in 2017.'

2016 did in fact produce a more than satisfactory improved performance with Turnover increasing from £19,629,751 to £50,038,377 and Profit before Taxation increasing from £1,770,276 to £6,522,869.

The Gross Profit of £9,009,831 was a margin of 18% similar to 2015 (18.36%). However, due to the significantly increased Turnover, up 155%, compared to only a 25% increase in Administrative Expenses, the Operating Profit was a healthy 14.13%.

Profit before Taxation of £6,522,869 was a margin of 13.03%. This margin when compared to the largest PLC housebuilders, who are in some cases exceeding 20% seems modest, but remains a good return for a company of our size.

The final outcome was pleasing as during the months of May, June and July sales had slowed dramatically in the run up to and immediately following the Referendum.

Following the Brexit vote sales picked up in August and have continued to happen at a rate that seems to indicate a continued confidence in the housing market.

From the Balance Sheet it can be seen that Stocks (Work in Progress) has increased only slightly from £36.7m to £37.6m but Cash at Bank has increased appreciably from £2.2m to £10.2m.

This Cash at Bank combined with £4.5m of unutilised Revolving Credit Facility will be utilised in part to complete the purchase of potentially 10 new development sites in 2017.

Our bankers continue to be pleased with our performance and have indicated a desire to increase our £20m Revolving Credit Facility if needed.

As we are currently forecasting, we expect to increase Turnover and Profit in 2017 and again in 2018.

PRINCIPAL RISKS AND UNCERTAINTIES

We have continued to be frustrated by the Planning System but as we are involved in an increasing number of potential developments, isolated Planning set-backs no longer have such a fundamental effect on our performance.

Difficulties with materials supply has to some extent eased, and we continue to develop a network of good reliable sub-contractors who prefer to work for us rather than the more aggressive PLC developers.

Construction costs have continued to increase through 2016. Material cost increases have been fairly modest, but our increased level of activity has required us, in some cases, to engage new sub-contractors whose services we have to compete for against the PLC housebuilders.

Sales prices in most cases have risen to levels that have exceeded our forecasts at acquisition time, and also more than compensated for any increased build costs.

Going forward we believe we are well placed to continue expanding in a measured and controlled way as long as the market remains reasonably confident.

As always the key factor is our ability to source, negotiate and fund land purchases. To our advantage, many of the larger developers are concentrating on 100+ unit sites and many of relatively restricted number of smaller developers do not have the land buying expertise we have, nor the access to the required funding.

In the event of a potential fall off in confidence as Brexit become a reality, we believe that our high quality product and desirable sites combined with our strong Balance Sheet will allow us to operate satisfactorily

ON BEHALF OF THE BOARD:



Mr D Foreman - Secretary

11 April 2017

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

DIVIDENDS
Interim dividends totalling £2,000 per share were paid during the year. The directors recommend that no final dividend is to be paid.

The total distribution of dividends for the year ended 31st December 2016 is £2,000,000.

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

Mr D Foreman
Mr J N McCreadie (Non-Executive Director)
Mr J D Drew
Mrs M B Foreman (Non-Executive Director)

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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:

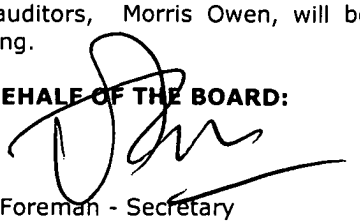
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

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

AUDITORS
The auditors, Morris Owen, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr D Foreman - Secretary

11 April 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NEWLAND HOMES LIMITED

We have audited the financial statements of Newland Homes Limited for the year ended 31 December 2016 on pages seven to twenty. The financial reporting framework that has been applied in their preparation is 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'.

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

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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, 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.

Mr Ian Sumbler (Senior Statutory Auditor)
for and on behalf of Morris Owen
Statutory Auditors
43-45 Devizes Road
SWINDON
Wiltshire
SN1 4BG

Date: 18.4.2017

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
TURNOVER		**50,038,377**	19,629,751
Cost of sales		**41,028,546**	16,025,733
GROSS PROFIT		**9,009,831**	3,604,018
Administrative expenses		**1,937,207**	1,549,061
		7,072,624	2,054,957
Other operating income	4	**-**	6,525
OPERATING PROFIT	7	**7,072,624**	2,061,482
Interest receivable and similar income		**8,363**	4,351
		7,080,987	2,065,833
Interest payable and similar expenses	8	**558,118**	295,557
PROFIT BEFORE TAXATION		**6,522,869**	1,770,276
Tax on profit	9	**1,273,674**	372,776
PROFIT FOR THE FINANCIAL YEAR		**5,249,195**	1,397,500
OTHER COMPREHENSIVE INCOME			
		-	36,000
Income tax relating to other comprehensive income		**-**	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		**-**	36,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**5,249,195**	1,433,500

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
FIXED ASSETS					
Tangible assets	11		**634,475**		845,204
CURRENT ASSETS					
Stocks	12	**37,638,403**		36,701,578	
Debtors	13	**982,929**		832,649	
Cash at bank		**10,184,056**		2,187,776	
		48,805,388		39,722,003	
CREDITORS					
Amounts falling due within one year	14	**5,378,978**		3,490,337	
NET CURRENT ASSETS			**43,426,410**		36,231,666
TOTAL ASSETS LESS CURRENT LIABILITIES			**44,060,885**		37,076,870
CREDITORS					
Amounts falling due after more than one year	15		**(16,561,007)**		(12,820,091)
PROVISIONS FOR LIABILITIES	20		**(34,073)**		(40,169)
NET ASSETS			**27,465,805**		24,216,610
CAPITAL AND RESERVES					
Called up share capital	21		**1,000**		1,000
Retained earnings	22		**27,464,805**		24,215,610
SHAREHOLDERS' FUNDS			**27,465,805**		24,216,610

The financial statements were approved by the Board of Directors on 11 April 2017 and were signed on its behalf by:

Mr D Foreman - Director

Mr J D Drew - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2015	1,000	24,282,110	24,283,110
Changes in equity			
Dividends	-	(1,500,000)	(1,500,000)
Total comprehensive income	-	1,433,500	1,433,500
Balance at 31 December 2015	1,000	24,215,610	24,216,610
Changes in equity			
Dividends	-	(2,000,000)	(2,000,000)
Total comprehensive income	-	5,249,195	5,249,195
Balance at 31 December 2016	1,000	27,464,805	27,465,805

The notes form part of these financial statements

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	**7,532,894**	(7,084,293)
Interest paid		**(575,016)**	(285,687)
Interest element of hire purchase payments paid		**(9,282)**	(11,170)
Finance costs paid		**26,180**	1,300
Tax paid		**(536,506)**	(498,460)
Net cash from operating activities		**6,438,270**	(7,878,310)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(36,290)**	(227,145)
Sale of tangible fixed assets		**283,149**	24,424
Interest received		**8,363**	4,351
Net cash from investing activities		**255,222**	(198,370)
Cash flows from financing activities			
New loans in year		**3,500,000**	9,000,000
Capital repayments in year		**(197,212)**	(170,798)
Equity dividends paid		**(2,000,000)**	(1,500,000)
Net cash from financing activities		**1,302,788**	7,329,202
Increase/(decrease) in cash and cash equivalents		**7,996,280**	(747,478)
Cash and cash equivalents at beginning of year	2	**2,187,776**	2,935,254
Cash and cash equivalents at end of year	2	**10,184,056**	2,187,776

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

1. RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit for the financial year	**5,249,195**	1,397,500
Depreciation charges	**201,253**	173,866
(Profit)/loss on disposal of fixed assets	**(39,500)**	5,762
Finance costs	**558,118**	295,557
Finance income	**(8,363)**	(4,351)
Taxation	**1,273,674**	372,776
	7,234,377	2,241,110
Increase in stocks	**(936,825)**	(10,230,302)
Increase in trade and other debtors	**(150,280)**	(445,281)
Increase in trade and other creditors	**1,385,622**	1,350,180
Cash generated from operations	**7,532,894**	(7,084,293)

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 December 2016

	31.12.16	**1.1.16**
	£	**£**
Cash and cash equivalents	**10,184,056**	**2,187,776**

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	2,187,776	2,962,788
Bank overdrafts	-	(27,534)
	2,187,776	2,935,254

The notes form part of these financial statements

1. GENERAL INFORMATION

The company is a private company limited by shares and incorporated in England and Wales.

The registered office address is Brighouse Court, Barnett Way, Barnwood, Gloucester, Gloucestershire, GL4 3RT.

2. STATUTORY INFORMATION

Newland Homes Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. ACCOUNTING POLICIES

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

Significant judgements and estimates
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following estimates have had the most significant effect on amounts recognised in the financial statements:

- Work in progress of £37,638,403

The significant judgements are in estimating the realisable value of a site, which is determined by expected sales prices and estimated costs to complete. The estimations for these are compared to original forecasts and analysed for any significant differences. If the market were to change beyond expectation in the future, adjustments to the work in progress may be required.

Turnover
Turnover is recognised at completion of the property in respect of of the total proceeds of the property net of value added tax.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold and freehold property improvements	- 2% on cost
Plant and machinery	- 25% on reducing balance
Furniture and equipment	- 15% on reducing balance
Motor vehicles	- 33% on reducing balance

Work in progress
Work in progress in valued at the lower of cost and estimated selling price less costs to complete and sell which is equivalent to net realisable value. Costs are made up of direct materials, direct labour and attributable overheads based on a normal level of activity. Management assesses the cost held and where necessary will write down the work in progress to it's net realisable value.

Due to the scale of the company's developments, the company has to allocate development costs on a site by site basis between units built in the current year and in future years, as well as estimating costs to complete on these developments. In making these assessments there is a degree of uncertainty, however the company has internal controls to asses this on a continuing basis.

continued...

3. **ACCOUNTING POLICIES - continued**

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Financial instruments

Financial instruments are classified by the directors as basic or advanced following the conditions in FRS 102 Section 11. Basic financial instruments are recognised at amortised cost using the effective interest method. The only advanced instruments recognised by the company are derivatives. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in arriving at profit before tax. Any derivative assets would be included in other debtors and derivative liabilities would be included included in other creditors.

4. **OTHER OPERATING INCOME**

	2016	2015
	£	£
Rents received	**-**	6,525

continued...

5. EMPLOYEES AND DIRECTORS

	2016 £	2015 £
Wages and salaries	3,435,514	2,780,250
Social security costs	429,169	333,294
Pension costs	77,563	53,338
	3,942,246	3,166,882

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

	2016	2015
Admin staff	11	9
Direct staff	53	47
	64	56

6. DIRECTORS' EMOLUMENTS

Information regarding the highest paid director is as follows:

	2016 £	2015 £
Emoluments	261,064	157,898

7. OPERATING PROFIT

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

	2016 £	2015 £
Depreciation - owned assets	**68,451**	58,951
Depreciation - assets on hire purchase contracts	**132,802**	114,914
(Profit)/loss on disposal of fixed assets	**(39,500)**	5,762
Auditors' remuneration	**21,195**	19,145
Non audit services - taxation	**1,480**	835
Non audit services - other	**22,749**	24,339

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016 £	2015 £
Bank interest	**575,016**	285,687
Hire purchase	**9,282**	11,170
Discount provision	**(26,180)**	(1,300)
	558,118	295,557

continued...

9. TAXATION

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

	2016	2015
	£	£
Current tax:		
UK corporation tax	**1,279,770**	336,520
Over/under provision in prior year	**-**	5,147
Total current tax	**1,279,770**	341,667
Deferred tax	**(6,096)**	31,109
Tax on profit	**1,273,674**	372,776

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016	2015
	£	£
Profit before tax	**6,522,869**	1,770,276
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.246%)	**1,304,574**	358,410
Effects of:		
Expenses not deductible for tax purposes	**2,381**	1,991
Income not taxable for tax purposes	**(4,989)**	(263)
Depreciation in excess of capital allowances	**-**	7,491
Adjustments to tax charge in respect of previous periods	**-**	5,147
correction to 2015 deferred tax	**1,676**	-
land remediation adjustment	**(29,968)**	-
Total tax charge	**1,273,674**	372,776

Tax effects relating to effects of other comprehensive income

		2015	
	Gross	Tax	Net
	£	£	£
Property revaluation	36,000	-	36,000
	36,000	-	36,000

10. DIVIDENDS

	2016	2015
	£	£
Interim	**2,000,000**	1,500,000

continued...

11. **TANGIBLE FIXED ASSETS**

	Freehold and freehold property improvements £	Plant and machinery £	Furniture and equipment £	Motor vehicles £	Totals £
COST					
At 1 January 2016	**221,000**	**389,890**	**485,101**	**602,570**	**1,698,561**
Additions	**-**	**4,750**	**31,540**	**197,883**	**234,173**
Disposals	**(221,000)**	**(125,617)**	**(12,200)**	**(147,066)**	**(505,883)**
At 31 December 2016	**-**	**269,023**	**504,441**	**653,387**	**1,426,851**
DEPRECIATION					
At 1 January 2016	**32,742**	**371,252**	**162,180**	**287,183**	**853,357**
Charge for year	**-**	**4,901**	**63,550**	**132,802**	**201,253**
Eliminated on disposal	**(32,742)**	**(122,856)**	**(6,610)**	**(100,026)**	**(262,234)**
At 31 December 2016	**-**	**253,297**	**219,120**	**319,959**	**792,376**
NET BOOK VALUE					
At 31 December 2016	**-**	**15,726**	**285,321**	**333,428**	**634,475**
At 31 December 2015	188,258	18,638	322,921	315,387	845,204

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 January 2016	**602,570**
Additions	**197,883**
Disposals	**(147,066)**
At 31 December 2016	**653,387**
DEPRECIATION	
At 1 January 2016	**287,183**
Charge for year	**132,802**
Eliminated on disposal	**(100,026)**
At 31 December 2016	**319,959**
NET BOOK VALUE	
At 31 December 2016	**333,428**
At 31 December 2015	315,387

12. **STOCKS**

	2016 £	2015 £
Work-in-progress	**37,638,403**	36,701,578

continued...

13. DEBTORS

	2016	2015
	£	£
Amounts falling due within one year:		
Trade debtors	**613,060**	283,632
Amounts recoverable on contract	**60,000**	-
VAT	**154,912**	310,244
Prepayments and accrued income	**154,957**	183,773
	982,929	777,649
Amounts falling due after more than one year:		
Amounts recoverable on contract	**-**	55,000
Aggregate amounts	**982,929**	832,649

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Hire purchase contracts (see note 17)	**142,552**	136,886
Trade creditors	**3,314,099**	2,401,830
Corporation tax	**879,770**	136,506
Social security and other taxes	**339,495**	197,017
Other creditors	**15,791**	12,129
Accruals and deferred income	**687,271**	605,969
	5,378,978	3,490,337

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

	2016	2015
	£	£
Bank loans (see note 16)	**15,500,000**	12,000,000
Hire purchase contracts (see note 17)	**108,013**	113,008
Trade creditors	**952,994**	707,083
	16,561,007	12,820,091

16. LOANS

An analysis of the maturity of loans is given below:

	2016	2015
	£	£
Amounts falling due between one and two years:		
Bank loans - 1-2 years	**15,500,000**	12,000,000

continued...

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2016	2015
	£	£
Net obligations repayable:		
Within one year	**142,552**	136,886
Between one and five years	**108,013**	113,008
	250,565	249,894

	Non-cancellable operating leases	
	2016	2015
	£	£
Within one year	**65,076**	48,807
Between one and five years	**146,241**	211,497
	211,317	260,304

18. SECURED DEBTS

The following secured debts are included within creditors:

	2016	2015
	£	£
Bank loans	**15,500,000**	12,000,000
Hire purchase contracts	**250,565**	249,894
	15,750,565	12,249,894

The bank holds the following assets as security:

Unscheduled mortgage debenture incorporating a fixed and floating charge over all the assets of the company.

Legal Mortgage over land at Ermin Street, Blunsdon
Legal mortgage over land at Regents Park Road, Bromsgrove
Legal Mortgage over land at Grenville College, Bideford
Legal Mortgage over land at Mickleton, Chipping Campden
Legal Mortgage over land at Broad Lane, Yate
Legal Mortgage over land known as land on the north side of Woolavington Road
Legal Mortgage over land at Swallowcroft, Eastington
Legal Mortgage over land at Midland Way, Thornbury

Hire purchase agreements are secured on the assets concerned.

continued...

19. FINANCIAL INSTRUMENTS

The Company's financial instruments may be analysed as follows:

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	-	55,000
Financial assets measured at amortised cost	827,972	593,876
	827,972	648,876

	2016 £	2015 £
Financial liabilities		
Financial liabilities measured at fair value through profit or loss	-	-
Financial liabilities measured at amortised cost	20,372,944	15,567,953
	20,372,944	15,567,953

Financial assets measured at fair value comprise of amounts recoverable on contract. The fair value has been calculated using a discount rate of 5% over the estimated recovery period of 10 years.

Financial assets measured at amortised cost comprise of trade debtors, amounts recoverable on contract and the VAT debtor.

Financial liabilities measured at amortised cost comprise of trade creditors, tax, social security and other taxes, other creditors, amounts owed to group undertakings, bank loans and hire purchase contracts.

20. PROVISIONS FOR LIABILITIES

	2016 £	2015 £
Deferred tax		
Accelerated capital allowances	**34,073**	40,169

	Deferred tax £
Balance at 1 January 2016	**40,169**
Provided during year	**(6,096)**
Balance at 31 December 2016	**34,073**

In addition to the deferred tax above there is also a capital loss carried forward of £45,123 (2015: £114,516)

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	**2016 £**	2015 £
1,000	Ordinary	£1	**1,000**	1,000

continued...

22. **RESERVES**

	Retained earnings £
At 1 January 2016	**24,215,610**
Profit for the year	**5,249,195**
Dividends	**(2,000,000)**
At 31 December 2016	**27,464,805**

23. **PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. the assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge is partly represented by contributions paid by the company to the fund and amounted to £61,462 for the year (2015: £53,337).

The company also operates a statutory auto enrolment workplace pension scheme. The pension cost charge is partly represented by contributions paid by the company to this fund and amounted to £16,101.

At the year end, the amount outstanding and not yet paid over total £4,884 (2015: £4,631) and are shown in other creditors.

24. **ULTIMATE CONTROLLING PARTY**

The directors consider there to be no ultimate controlling party.