Registered number: 03166621

BMM Weston Holdings Limited

Directors' report and financial statements

For the 52 week period ended 1 October 2017

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BMM Weston Holdings Limited

Company Information

Directors	J S Cleaver B Cleaver C Becket
Company secretary	J S Cleaver
Registered number	03166621
Registered office	Brent Hill Faversham Kent ME13 7EB
Independent auditors	Kreston Reeves LLP Chartered Accountants & Statutory Auditor 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	Lloyds Bank plc 49 High Street Canterbury Kent CT1 2SE

BMM Weston Holdings Limited

Contents

	Page
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditors' report	4 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9 - 10
Statement of cash flows	11
Notes to the financial statements	12 - 27

Directors' report
For the 52 week period ended 1 October 2017

The directors present their report and the financial statements for the 52 week period ended 1 October 2017.

Results and dividends

The profit for the 52 week period, after taxation, amounted to £232,000 (2016 - £610,000).

During the period the company paid dividends of £3,200,000 (2016 - £500,000). No further dividend is recommended in respect of the period.

Directors

The directors who served during the 52 week period were:

J S Cleaver
B Cleaver
C Becket

Financial instruments

The company's principal financial instruments comprise bank balances and loans to the company. The main purpose of these instruments is to raise funds to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is show below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The company makes use of money market facilities where funds are available.

In respect of loans these comprise of loans from financial institutions. The interest rate on the loans from financial institutions is fixed and the monthly repayments are also fixed. The company manages the liquidity risk by ensuring there are sufficient funds to meet these payments.

Disclosure of information to auditors

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

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

Post balance sheet events

There have been no significant events affecting the company since the year end.

Directors' report (continued)
For the 52 week period ended 1 October 2017

Auditors

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30 January 2018 and signed on its behalf.



J S Cleaver
Director

Directors' responsibilities statement
For the 52 week period ended 1 October 2017

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

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

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

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in directors' reports may differ from legislation in other jurisdictions.

Independent auditors' report to the shareholders of BMM Weston Holdings Limited

Opinion

We have audited the financial statements of BMM Weston Holdings Limited (the 'company') for the 52 week period ended 1 October 2017, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 Auditors' 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 1 October 2017 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

Independent auditors' report to the shareholders of BMM Weston Holdings Limited (continued)

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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial 52 week period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

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

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

Independent auditors' report to the shareholders of BMM Weston Holdings Limited (continued)

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury

30 January 2018

Statement of comprehensive income
For the 52 week period ended 1 October 2017

	Note	Period ended 1 October 2017 £000	Period ended 2 October 2016 £000
Turnover		**491**	506
Other external charges		**(3)**	(44)
Staff costs		**(405)**	(376)
Depreciation and amortisation		**(76)**	(71)
Operating profit		**7**	15
Income from shares in group undertakings		**200**	500
Interest receivable and similar income		**25**	-
Interest payable and expenses		**-**	(10)
Profit before tax		**232**	505
Tax on profit		**-**	105
Profit for the financial 52 week period		**232**	610
Other comprehensive income for the 52 week period			
Deferred tax movement on disposal of investment property		**317**	-
Other comprehensive income for the 52 week period		**317**	-
Total comprehensive income for the 52 week period		**549**	610

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

The notes on pages 12 to 27 form part of these financial statements.

BMM Weston Holdings Limited
Registered number: 03166621

Balance sheet
As at 1 October 2017

	Note		Period ended 1 October 2017 £000		Period ended 2 October 2016 as restated £000
Fixed assets					
Tangible assets	13		**275**		283
Investments	14		**4,484**		4,484
Investment property	16		**2,300**		5,300
			7,059		10,067
Current assets					
Debtors: amounts falling due within one year		**8**		-	
Cash at bank and in hand	18	**119**		59	
		127		59	
Creditors: amounts falling due within one year	19	**(1,603)**		(1,575)	
Net current liabilities			**(1,476)**		(1,516)
Total assets less current liabilities			**5,583**		8,551
Provisions for liabilities					
Deferred tax	21	**(234)**		(551)	
			(234)		(551)
Net assets			**5,349**		8,000
Capital and reserves					
Called up share capital			**200**		200
Other reserves	23		**4,532**		4,215
Profit and loss account	23		**617**		3,585
			5,349		8,000

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 January 2018.

J S Cleaver
Director

The notes on pages 12 to 27 form part of these financial statements.

BMM Weston Holdings Limited

Statement of changes in equity
For the 52 week period ended 1 October 2017

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000
At 3 October 2016 (as previously stated)	200	1,774	3,585	5,559
Prior year adjustment	-	2,441	-	2,441
At 3 October 2016 (as restated)	200	4,215	3,585	8,000
Comprehensive income for the 52 week period				
Profit for the 52 week period	-	-	232	232
Deferred tax movement on disposal of investment property	-	317	-	317
Total comprehensive income for the 52 week period	-	317	232	549
Dividends: Equity capital	-	-	(3,200)	(3,200)
Total transactions with owners	-	-	(3,200)	(3,200)
At 1 October 2017	200	4,532	617	5,349

Statement of changes in equity
For the 52 week period ended 2 October 2016

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 October 2015 (as previously stated)	200	1,774	3,475	5,449
Prior year adjustment	-	2,441	-	2,441
At 1 October 2015 (as restated)	200	4,215	3,475	7,890
Comprehensive income for the period				
Profit for the period	-	-	610	610
Total comprehensive income for the period	-	-	610	610
Dividends: Equity capital	-	-	(500)	(500)
Total transactions with owners	-	-	(500)	(500)
At 2 October 2016	200	4,215	3,585	8,000

The notes on pages 12 to 27 form part of these financial statements.

Statement of cash flows
For the 52 week period ended 1 October 2017

	1 October 2017 £000	2 October 2016 £000
Cash flows from operating activities		
Profit for the financial 52 week period	**232**	610
Adjustments for:		
Depreciation of tangible assets	**76**	71
Loss on disposal of tangible assets	**3,000**	-
Interest paid	**-**	10
Interest and dividends received	**(225)**	(500)
Taxation charge	**-**	(105)
(Increase)/decrease in debtors	**(8)**	-
Increase/(decrease) in creditors	**1**	(1)
Increase in amounts owed to groups	**88**	84
Net fair value (gains)/losses recognised in P&L	**(3,000)**	-
Corporation tax received/(paid)	**-**	(9)
Net cash generated from operating activities	**164**	160
Cash flows from investing activities		
Purchase of tangible fixed assets	**(69)**	(66)
Interest received	**25**	-
Dividends received	**200**	500
Net cash from investing activities	**156**	434
Cash flows from financing activities		
Repayment of loans	**(60)**	(75)
Dividends paid	**(200)**	(500)
Interest paid	**-**	(10)
Net cash used in financing activities	**(260)**	(585)
Net increase in cash and cash equivalents	**60**	9
Cash and cash equivalents at beginning of 52 week period	**59**	50
Cash and cash equivalents at the end of 52 week period	**119**	59
Cash and cash equivalents at the end of 52 week period comprise:		
Cash at bank and in hand	**119**	59
	119	59

Notes to the financial statements
For the 52 week period ended 1 October 2017

1. General information

BMM Weston Holdings Limited is a limited liability company incorporated in England and Wales.

The company's registered office is Weston Works, Brent Hill, Faversham, Kent, ME13 7EB.

The company's principal activity continues to be a holding company within the BMM Weston Group.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The company's functional and presentational currency is Pounds Sterling.

The company's financial statements are presented to the nearest thousand.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

After reviewing the company's current position and cashflow projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing the annual report and financial statements.

2.3 Exemption from preparing consolidated financial statements

The company, and the group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and group are considered eligible for the exemption to prepare consolidated accounts.

2.4 Revenue

Turnover comprises rental income and management charges receivable by the company, exclusive of VAT.

2.5 Tangible fixed assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Plant and machinery	- 7 - 10 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.6 Investment property

Investment property is carried at fair value determined annually and derived from directors opinion of fair value. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.7 Valuation of investments

Investments in subsidiaries are measured at fair value.

Investments in subsidiaries were previously measured at cost less accumulated impairment. This change in accounting policy provides reliable and more relevant information since it better represents the value of the subsidiary entity investment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2. Accounting policies (continued)

2.9 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.10 Creditors

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

2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2. Accounting policies (continued)

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.14 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the 52 week period in which they are incurred.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the 52 week period comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the financial statements
For the 52 week period ended 1 October 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgements have had the most significant impact on amounts recognised in the financial statements:

Tangible fixed assets

The company has recognised tangible fixed assets with a carrying value of £275,000 at the reporting date (see note 13). These assets are stated at their cost less provision for depreciation and impairment. The company's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired.

Where there are indicators that the carrying value of tangible assets may be impaired the company undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the company's forecasts for the foreseeable future which do not include any restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Investment properties

The company holds investment property with a fair value of £2,300,000 at the year end (see note 16). In order to determine the fair value of investment property the company has engaged independent valuation specialists with experience in the location and nature of the property being valued. They have used a valuation technique based on comparable market data. The determined fair value of the investment property is most sensitive to fluctuations in the property market.

Investments in subsidiary companies

The company holds investments in subsidiary companies with a fair value of £4,484,000 at the year end (see note 14). In order to determine the fair value of investments in subsidiaries, the directors have made reference to recent share transactions.

Taxation

Provision has been made in the financial statements for deferred tax amounting to £234,000 at the reporting date (see note 21). This provision is based upon estimates of the availability of future taxable profits, the timing of the reversal of timing differences upon which the provision is based and the tax rates that will be in force at that time together with an assessment of the impact of future tax planning strategies.

Notes to the financial statements
For the 52 week period ended 1 October 2017

4. Operating profit

The operating profit is stated after charging:

	Period ended 1 October 2017 £000	Period ended 2 October 2016 £000
Depreciation of tangible fixed assets	**76**	71
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	**1**	1
Defined contribution pension cost	**13**	12

5. Other external charges

Other external charges includes:

1. During the period, an investment property was transferred to a wholly owned subsidiary, Weller Properties (Faversham) Limited, which had a fair value of £3,000,000 as an intragroup transfer for Nil consideration resulting in a loss of £3,000,000.

2. Following the transfer of an investment property to the company's subsidiary, Weller Properties (Faversham) Limited, the company's investment in that subsidiary was revalued in accordance with Accounting Policy 2.8, resulting in a gain of £3,000,000.

6. Auditors' remuneration

	Period ended 1 October 2017 £000	Period ended 2 October 2016 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	**1**	1

Notes to the financial statements
For the 52 week period ended 1 October 2017

7. Employees

The average monthly number of employees, including the directors, during the 52 week period was as follows:

	Period ended 1 October 2017 No.	Period ended 2 October 2016 No.
Directors	2	2
Management	3	3
	5	5

8. Directors' remuneration

	Period ended 1 October 2017 £000	Period ended 2 October 2016 £000
Directors' emoluments	182	193
	182	193

9. Interest receivable

	Period ended 1 October 2017 £000	Period ended 2 October 2016 £000
Other interest receivable	25	-
	25	-

10. Interest payable and similar charges

	Period ended 1 October 2017 £000	Period ended 2 October 2016 £000
Bank interest payable	-	10
	-	10

Notes to the financial statements
For the 52 week period ended 1 October 2017

11. Taxation

	Period ended 1 October 2017 £000	Period ended 2 October 2016 £000
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	(105)
Total deferred tax	-	(105)
Taxation on profit/(loss) on ordinary activities	-	(105)

Factors affecting tax charge for the 52 week period/period

The tax assessed for the 52 week period/period is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 19.5% (2016 - 20%). The differences are explained below:

	Period ended 1 October 2017 £000	Period ended 2 October 2016 £000
Profit on ordinary activities before tax	**232**	505
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.5% (2016 - 20%)	**45**	101
Effects of:		
Group income	**(39)**	(100)
Capital gains	-	(106)
Other differences leading to a decrease in the tax charge	**(3)**	-
Group relief	**(3)**	-
Total tax charge for the 52 week period/period	-	(105)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the financial statements
For the 52 week period ended 1 October 2017

12. Dividends

	1 October 2017 £000	2 October 2016 £000
Dividends paid on equity capital	**3,200**	500
	3,200	500

13. Tangible fixed assets

	Plant and machinery £000
Cost or valuation	
At 3 October 2016	**472**
Additions	**69**
Disposals	**(1)**
At 1 October 2017	**540**
Depreciation	
At 3 October 2016	**190**
Charge for the 52 week period on owned assets	**76**
Disposals	**(1)**
At 1 October 2017	**265**
Net book value	
At 1 October 2017	**275**
At 2 October 2016	283

Notes to the financial statements
For the 52 week period ended 1 October 2017

14. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 3 October 2016 (as previously stated)	**3,613**
Prior Year Adjustment	**871**
At 3 October 2016 (as restated)	**4,484**
Disposals	**(3,000)**
Revaluations	**3,000**
At 1 October 2017	**4,484**
At 3 October 2016 (as previously stated)	**1,570**
Prior Year Adjustment	**(1,570)**
At 3 October 2016 (as restated)	**-**
Net book value	
At 1 October 2017	**4,484**
At 2 October 2016 (as restated)	4,484

Notes to the financial statements
For the 52 week period ended 1 October 2017

15. Subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
BMM Weston Limited	Ordinary	100%	Design, Manufacturing and selling machinery

The registration office of the above company is Weston Works, Brent Hill, Faversham, Kent, ME13 7EB.

The aggregate of the share capital and reserves as at 1 October 2017 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

	Aggregate of share capital and reserves 1 October £000	Profit/(loss) 1 October £000
BMM Weston Limited	1,804	199

The following were indirect subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Discovery Electronics Limited	Ordinary	100%	Dormant company
The British Moulding Machine Company Limited	Ordinary	100%	Dormant company
Weston Laundry Machine Company Limited	Ordinary	100%	Dormant company
Drayton Castle Limited	Ordinary	100%	Dormant company
C F Doyle Limited	Ordinary	100%	Dormant company
BMM Weston International Limited	Ordinary	100%	Dormant company

The registration office of the above company is Weston Works, Brent Hill, Faversham, Kent, ME13 7EB.

The aggregate of the share capital and reserves as at 1 October 2017 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

	Aggregate of share capital and reserves 1 October £000
Discovery Electronics Limited	165
The British Moulding Machine Company Limited	158
Weston Laundry Machine Company Limited	69
Drayton Castle Limited	-
C F Doyle Limited	-
BMM Weston International Limited	4

16. Investment property

	Freehold investment property £000
Valuation	
At 3 October 2016	**5,300**
Disposals	**(3,000)**
At 1 October 2017	**2,300**

The company's freehold investment property has been valued at the year end by the directors at fair value.

17. Debtors

	1 October 2017 £000	2 October 2016 £000
Other debtors	**8**	-
	8	-

18. Cash and cash equivalents

	1 October 2017 £000	2 October 2016 £000
Cash at bank and in hand	**119**	59
	119	59

19. Creditors: Amounts falling due within one year

	1 October 2017 £000	2 October 2016 £000
Bank loans	**-**	60
Amounts owed to group undertakings	**1,601**	1,513
Other creditors	**2**	2
	1,603	1,575

Notes to the financial statements
For the 52 week period ended 1 October 2017

20. Financial instruments

	1 October 2017 £000	2 October 2016 £000
Financial assets		
Financial assets measured at fair value through profit or loss	**4,484**	4,484
	4,484	4,484
Financial liabilities		
Financial liabilities measured at amortised cost	**1,603**	1,575
	1,603	1,575

Financial assets measured at fair value through profit or loss comprise of investments in subsidiary companies (see note 15).

Financial liabilities measured at amortised cost comprise of bank loans, other creditors and amounts owed to group undertakings.

21. Deferred taxation

	2017 £000
At beginning of year	**(551)**
Credited to other comprehensive income	**317**
At end of year	**(234)**

The provision for deferred taxation is made up as follows:

	1 October 2017 £000
Capital gains	**(234)**
	(234)

Notes to the financial statements
For the 52 week period ended 1 October 2017

22. Share capital

	1 October 2017 £000	2 October 2016 £000
Shares classified as equity		
Allotted, called up and fully paid		
125,000 Ordinary A shares of £1 each	**125**	-
75,000 Ordinary B shares of £1 each	**75**	-
200,000 Ordinary shares of £1 each	**-**	200
	200	200

During the period, due to the restructure of the group, the existing ordinary shares were re-designated to Ordinary A shares and Ordinary B shares. There has been no change in the share capital and no additional consideration.

23. Reserves

Other reserves

This reserve comprises revaluation surpluses recognised on the fair value valuation of investment properties and investment in subsidiaries less any provision for deferred tax.

Profit and loss account

The reserve comprises all current and prior period retained profits and losses after deducting any distributions made by to the company's shareholders.

24. Contingent liabilities

The company has an Omnibus Guarantee and Set-Off Agreement in place with Lloyds Bank plc and BMM Weston Limited, the company's subsidiary undertaking, regarding any bank indebtedness of BMM Weston Holdings Limited and BMM Weston Limited.

25. Key Management Personnel

Key management comprises the directors of the company. The key management compensation totalled £181,000 (2016: £193,000).

Notes to the financial statements
For the 52 week period ended 1 October 2017

26. Related party transactions

During the period the company received management charges totalling £435,000 (2016: £410,000) and rental income totalling £56,000 (2016: £96,000) from BMM Weston Limited, a wholly owned subsidiary.

During the period, the company disposed of an investment property to Weller Properties (Faversham) Limited, a 100% subsidiary at the time of the disposal, for NIL consideration.

During the period, the company paid dividends of £3,200,000 to its parent company BMM Weston Holdings Two Limited. £3,000,000 of the dividend was a dividend in specie constituting the investment in 100% shareholding of Weller Properties (Faversham) Limited.

In addition, during the period the company received dividends from BMM Weston Limited totalling £200,000 (2016: £500,000).

27. Controlling party

The company is a wholly subsidiary of BMM Weston Holdings Two Limited, a company registered in England and Wales, which is the ultimate parent company.

In the previous period the company was controlled by J S Cleaver and B Cleaver by virtue of their combined interest in 100% of the Ordinary share capital of the company.