Registration number: 04268921

Northgate Restaurants Ltd

Annual Report and Financial Statements
for the Year Ended 31 December 2017

Manex Accountants Ltd
Chartered Accountants and Statutory Auditors
9 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RD

Northgate Restaurants Ltd

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Northgate Restaurants Ltd

Company Information

Director	J Roe
Company secretary	P S Roe
Registered office	McDonalds Restaurant Stadium Retail Park Old Seals Way Chester CH1 4RY
Auditors	Manex Accountants Ltd Chartered Accountants and Statutory Auditors 9 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RD

Northgate Restaurants Ltd

Strategic Report for the Year Ended 31 December 2017

The director presents her strategic report for the year ended 31 December 2017.

Principal activity

The principal activity of the company is operation of a chain of limited menu quick service restaurants.

Fair review of the business

The results for the year end and financial position are shown in the annexed financial statements. As operators of a chain of four McDonald's restaurants we consider our key performance indicators are turnover and gross profit. The period ended 31 December 2017 has returned satisfactory results with turnover increasing by 7.81% and gross profit remaining consistent with the previous year. As for many businesses we believe the trading environment in which we operate to be challenging. However the company remains optimistic and has continued it's reinvestment with a major refurbishment at one of the restaurants during 2017.

Principal risks and uncertainties

The management of the business and the nature of the company's strategy are subject to a number of risks. The director is of the opinion that a thorough risk management process is adopted which involves the formal review of all the risks identified. Where possible, processes are in place to monitor and mitigate such risks.
As a operator of a McDonald's restaurant franchise a lot of the risks (food cost inflation, utility prices, wage cost inflation and competition) are managed by our franchisor.

Approved by the director on 21 September 2018 and signed on its behalf by:

.....
J Roe
Director

Northgate Restaurants Ltd

Director's Report for the Year Ended 31 December 2017

The director presents her report and the financial statements for the year ended 31 December 2017.

Director of the company

The director who held office during the year was as follows:

J Roe

Financial instruments

Objectives and policies

The company's principal financial instruments comprise cash and bank loans. The main purpose of these financial instruments is to raise finance for the company's operations. The company does not enter into derivative transactions. It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken.

Price risk, credit risk, liquidity risk and cash flow risk

The main risks arising from the company's financial instruments are interest risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.
Interest rate risk
The company's exposure to market risk for changes in interest rates is limited to bank loans. The additional requirement for medium to long term debt will be reviewed by the directors based on the company's forecast requirements.
Liquidity risk
The company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and bank loans.

Employment of disabled persons

It is the policy of the company to give full and fair consideration to applications for employment made by disabled persons, to continue where possible the employment of those who become disabled and to provide equal opportunities for the training and career development of disabled employees.

Employee involvement

The company communicates regularly with all employees on matters relating to its performance. Employees are encouraged to contribute to the decision making process through regular staff meetings. In addition there is a bulletin board in each restaurant where memoranda relating to company policy are displayed. There is also an online portal known as Our Lounge, which contains news and information for McDonald's people.

Disclosure of information to the auditors

The director has taken steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information. The director confirms that there is no relevant information that she knows of and of which she knows the auditors are unaware.

Reappointment of auditors

The auditors Manex Accountants Ltd are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the director on 21 September 2018 and signed on its behalf by:

.....
J Roe
Director

Northgate Restaurants Ltd

Statement of Director's Responsibilities

The director acknowledges her responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless she is 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 director is required to:

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable her to ensure that the financial statements comply with the Companies Act 2006 and in accordance with FRS 102. She is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Northgate Restaurants Ltd

Independent Auditor's Report to the Members of Northgate Restaurants Ltd

Opinion

We have audited the financial statements of Northgate Restaurants Ltd (the 'company') for the year ended 31 December 2017, which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, 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 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 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its 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.

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 company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

Independent Auditor's Report to the Members of Northgate Restaurants Ltd

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 matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's 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, 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.

Responsibilities of the director

As explained more fully in the Statement of Director's Responsibilities [set out on page 5], the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent Auditor's Report to the Members of Northgate Restaurants Ltd

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

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

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Clinton Meehan BSc FCA (Senior Statutory Auditor)

For and on behalf of Manex Accountants Ltd, Statutory Auditor

9 Castle Court 2

Castlegate Way

Dudley

West Midlands

DY1 4RD

21 September 2018

Northgate Restaurants Ltd

Income Statement for the Year Ended 31 December 2017

	Note	2017 £	2016 £
Turnover	3	12,203,308	11,319,562
Cost of sales		(6,508,648)	(5,957,389)
Gross profit		5,694,660	5,362,173
Administrative expenses		(5,190,873)	(5,012,813)
Operating profit	4	503,787	349,360
Other interest receivable and similar income	5	20	791
Interest payable and similar expenses	6	(9,742)	(7,321)
		(9,722)	(6,530)
Profit before tax		494,065	342,830
Taxation	10	(96,786)	(64,595)
Profit for the financial year		397,279	278,235

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 13 to 21 form an integral part of these financial statements.

Northgate Restaurants Ltd

Statement of Changes in Equity for the Year Ended 31 December 2017

	Share capital £	Profit and loss account £	Total £
At 1 January 2017	100	805,660	805,760
Profit for the year	-	397,279	397,279
Total comprehensive income	-	397,279	397,279
Dividends	-	(172,000)	(172,000)
At 31 December 2017	100	1,030,939	1,031,039

	Share capital £	Profit and loss account £	Total £
At 1 January 2016	100	685,425	685,525
Profit for the year	-	278,235	278,235
Total comprehensive income	-	278,235	278,235
Dividends	-	(158,000)	(158,000)
At 31 December 2016	100	805,660	805,760

The notes on pages 13 to 21 form an integral part of these financial statements.

Northgate Restaurants Ltd

(Registration number: 04268921)
Statement of Financial Position as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	11	84,483	134,602
Tangible assets	12	1,891,235	1,587,586
Other financial assets	13	5,000	5,000
		1,980,718	1,727,188
Current assets			
Stocks	14	45,980	40,965
Debtors	15	93,621	92,872
Cash at bank and in hand		801,885	983,882
		941,486	1,117,719
Creditors: Amounts falling due within one year	17	(1,330,450)	(1,266,199)
Net current liabilities		(388,964)	(148,480)
Total assets less current liabilities		1,591,754	1,578,708
Creditors: Amounts falling due after more than one year	17	(386,305)	(614,060)
Provisions for liabilities	18	(174,410)	(158,888)
Net assets		1,031,039	805,760
Capital and reserves			
Called up share capital	20	100	100
Profit and loss account		1,030,939	805,660
Total equity		1,031,039	805,760

Approved and authorised by the director on 21 September 2018

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J Roe
Director

The notes on pages 13 to 21 form an integral part of these financial statements.

Northgate Restaurants Ltd

Statement of Cash Flows for the Year Ended 31 December 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit for the year		397,279	278,235
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	346,603	326,861
Finance income	5	(20)	(791)
Finance costs	6	9,742	7,321
Income tax expense	10	96,786	64,595
		850,390	676,221
Working capital adjustments			
(Increase)/decrease in stocks	14	(5,015)	4,147
Increase in trade debtors	15	(749)	(2,932)
Increase/(decrease) in trade creditors	17	51,987	(121,431)
Cash generated from operations		896,613	556,005
Income taxes (paid)/received	10	(53,522)	26
Net cash flow from operating activities		843,091	556,031
Cash flows from investing activities			
Interest received	5	20	791
Acquisitions of tangible assets		(600,133)	(705,703)
Net cash flows from investing activities		(600,113)	(704,912)
Cash flows from financing activities			
Interest paid	6	(9,742)	(7,321)
Proceeds from bank borrowing draw downs		1,000,000	950,000
Repayment of bank borrowing		(1,274,308)	(826,346)
Proceeds from other borrowing draw downs		31,075	15,120
Dividends paid	22	(172,000)	(158,000)
Net cash flows from financing activities		(424,975)	(26,547)
Net decrease in cash and cash equivalents		(181,997)	(175,428)
Cash and cash equivalents at 1 January		983,882	1,159,310
Cash and cash equivalents at 31 December		801,885	983,882

The notes on pages 13 to 21 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:
McDonalds Restaurant Stadium Retail Park
Old Seals Way
Chester
CH1 4RY

These financial statements were authorised for issue by the director on 21 September 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.
The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

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

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.
Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and equipment	between 3 and 10 years straight line
Office equipment	between 3 and 5 years straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.
Licences have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	five years straight line
Licence fee	straight line over the life of the franchise
Stamp duty	straight line over the shorter of the unexpired lease and the life of the franchise

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Stocks

Stocks are stated at the lower of average cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred prior to completion and disposal.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2017 £	2016 £
Sale of goods	12,203,308	11,319,562

4 Operating profit

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	296,484	276,742
Amortisation expense	50,119	50,119
Auditor's remuneration - The audit of the company's annual accounts	2,000	1,950

5 Other interest receivable and similar income

	2017 £	2016 £
Interest income on bank deposits	20	791

6 Interest payable and similar expenses

	2017	2016
	£	£
Interest on bank overdrafts and borrowings	9,742	7,321

7 Staff costs

The aggregate payroll costs (including director's remuneration) were as follows:

	2017	2016
	£	£
Wages and salaries	3,208,825	2,966,919
Social security costs	138,117	118,824
Pension costs, defined contribution scheme	13,359	62,215
Other employee expense	32,797	29,299
	3,393,098	3,177,257

The average number of persons employed by the company (including the director) during the year, analysed by category was as follows:

	2017	2016
	No.	No.
Production	385	383
Administration and support	16	16
	401	399

8 Director's remuneration

The director's remuneration for the year was as follows:

	2017	2016
	£	£
Remuneration	22,008	18,731
Contributions paid to money purchase schemes	-	50,000
	22,008	68,731

9 Auditors' remuneration

	2017	2016
	£	£
Audit of the financial statements	2,000	1,950

10 Taxation

Tax charged/(credited) in the income statement

	2017 £	2016 £
Current taxation		
UK corporation tax	81,264	53,707
Deferred taxation		
Arising from origination and reversal of timing differences	15,522	10,888
Tax expense in the income statement	96,786	64,595

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2016 - higher than the standard rate of corporation tax in the UK) of 19.25% (2016 - 20%).
The differences are reconciled below:

	2017 £	2016 £
Profit before tax	494,065	342,830
Corporation tax at standard rate	95,108	68,566
Effect of expense not deductible in determining taxable profit (tax loss)	971	1,135
Effect of tax losses	-	(8,508)
Tax increase from effect of capital allowances and depreciation	707	3,402
Total tax charge	96,786	64,595

Deferred tax

Deferred tax assets and liabilities

2017	Liability £
Accelerated tax depreciation	174,410

2016	Liability £
Accelerated tax depreciation	158,888

11 Intangible assets

	Goodwill £	Licence fees £	Stamp duty £	Total £
Cost or valuation				
At 1 January 2017	461,400	120,000	33,432	614,832
At 31 December 2017	461,400	120,000	33,432	614,832
Amortisation				
At 1 January 2017	411,879	59,875	8,476	480,230
Amortisation charge	42,447	6,000	1,672	50,119
At 31 December 2017	454,326	65,875	10,148	530,349
Carrying amount				
At 31 December 2017	7,074	54,125	23,284	84,483
At 31 December 2016	49,521	60,125	24,956	134,602

12 Tangible assets

	Plant and machinery £	Office equipment £	Total £
Cost or valuation			
At 1 January 2017	2,762,187	15,915	2,778,102
Additions	598,315	1,818	600,133
At 31 December 2017	3,360,502	17,733	3,378,235
Depreciation			
At 1 January 2017	1,178,832	11,684	1,190,516
Charge for the year	294,462	2,022	296,484
At 31 December 2017	1,473,294	13,706	1,487,000
Carrying amount			
At 31 December 2017	1,887,208	4,027	1,891,235
At 31 December 2016	1,583,355	4,231	1,587,586

13 Other financial assets (current and non-current)

	2017 £	2016 £
Non-current financial assets		
Financial assets at fair value through profit and loss	5,000	5,000

14 Stocks

	2017 £	2016 £
Raw materials and consumables	45,980	40,965

15 Debtors

	2017 £	2016 £
Other debtors	-	500
Prepayments	93,621	92,372
	93,621	92,872

16 Cash and cash equivalents

	2017 £	2016 £
Cash on hand	14,626	18,181
Cash at bank	787,259	74,961
Short-term deposits	-	890,740
	801,885	983,882

17 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	21	263,041	309,594
Trade creditors		489,197	441,740
Amounts due to related parties		85,823	54,748
Social security and other taxes		313,026	258,181
Other payables		-	7,000
Accruals		97,839	141,154
Income tax liability	10	81,524	53,782
		1,330,450	1,266,199
Due after one year			
Loans and borrowings	21	386,305	614,060

18 Deferred tax and other provisions

	Deferred tax	Total
	£	£
At 1 January 2017	158,888	158,888
Increase (decrease) in existing provisions	15,522	15,522
At 31 December 2017	174,410	174,410

19 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £13,359 (2016 - £62,215).

20 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £0 (2016 - £1) each	-	-	100	100
Ordinary A shares of £1 (2016 - £0) each	75	75	-	-
Ordinary B shares of £1 (2016 - £0) each	25	25	-	-
	100	100	100	100

21 Loans and borrowings

	2017	2016
	£	£
Non-current loans and borrowings		
Bank borrowings	386,305	614,060

	2017	2016
	£	£
Current loans and borrowings		
Bank borrowings	263,041	309,594

22 Dividends

Interim dividends paid

	2017 £	2016 £
Interim dividend of £640.00 (2016 - £1,580.00) per each Ordinary shares	64,000	158,000
Interim dividend of £600.00 (2016 - £Nil) per each Ordinary A shares	45,000	-
Interim dividend of £2,520.00 (2016 - £Nil) per each Ordinary B shares	63,000	-
	172,000	158,000

23 Commitments

Other financial commitments

The company has annual commitments under a non-cancellable operating lease which continues to be due in over 5 years.
The total amount of other financial commitments not provided in the financial statements was £562,740 (2016 - £562,740).

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