Timetolearn Group Limited

Report and Financial Statements

Year Ended

29 December 2017

Company Number 6711921

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Timetolearn Group Limited

Report and financial statements
for the year ended 29 December 2017

Contents

Page:

1	Strategic report
2	Directors' report
4	Independent auditor's report
7	Consolidated statement of comprehensive income
8	Consolidated balance sheet
9	Consolidated statement of changes in equity
10	Consolidated statement of cash flows
11	Company balance sheet
12	Company statement of changes in equity
13	Notes forming part of the financial statements

Directors

P A Baker
P E Baker
C Steed

Registered office

Calder House, Central Road, Harlow, Essex CM20 2ST

Company number

6711921

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Timetolearn Group Limited

Strategic report
for the year ended 29 December 2017

The directors present their strategic report together with the audited financial statements for the year ended 29 December 2017.

Principal activities, trading review and future developments

The principal activity of the group is that of supplying craft products, toys and fundraising items by mail order and online to consumers, schools, playgroups and other childcare establishments.

Trade is undertaken through two subsidiaries under the brand names of Baker Ross and Yellow Moon. Baker Ross sells through its own ecommerce sites, whilst Yellow Moon sells via online marketplaces such as Amazon. In 2018 the decision was taken to simplify the group structure and to transfer the trade of Yellow Moon into Baker Ross.

The lease on the Group's premises expired in 2017. The Baker Ross subsidiary took out a lease on new, improved premises in October 2016 to support the ongoing growth of the business. The relocation from London to new premises in Harlow (Essex) took place in April 2017.

The relocation of the business represented a significant challenge to the group and accounted for most of the investment of £1,152,573 in fixed asset additions in the year. During the period around the relocation there was a reduction in marketing effort to ensure orders were delivered on a timely basis. This resulted in a reduction of sales in the early part of the year but it was pleasing to see a full recovery in the latter part of the year.

Costs related directly to the relocation of £793,590 have been shown as exceptional items on the face of the profit and loss account. Other costs were indirectly affected as it took time to achieve the previous levels of efficiency within the warehouse and logistics functions. It is expected that these efficiencies will be achieved in 2018.

The group had an increase in turnover of 10.4% in the year but the financial implications of the relocation, discussed above, led to a reduction in profits compared to the prior year. Gross profit margins remained strong and constant.

We aim to present a balanced review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

During the year the group has maintained a good customer base and healthy cash balances that will ensure that the group remains poised for future development. Key performance indicators are both turnover and profit driven, these being sales growth, gross profit margin and net profit:

	2017	2016
Growth in turnover	10.4%	21.4%
Gross profit margin	72%	74%
Net profit	£2,333,910	£3,814,630

We do not perceive there to be any major threats or risks to the business. Turnover growth may be harder to achieve without increasing the product range further or looking for new classes of customer. New marketing and product development initiatives are being implemented to counteract this threat.

Approval

This strategic report was approved by order of the Board on 21/9/18

P E Baker
Director

Timetolearn Group Limited

Directors' report
for the year ended 29 December 2017

The directors present their report together with the audited financial statements for the year ended 29 December 2017.

The consolidated financial statements incorporate the results of Timetolearn Group Limited and its subsidiary undertakings as at 29 December 2017.

The current year under review is the 52 week period ended 29 December 2017 (2016 - 53 week period ended 30 December 2016). The consolidated results of the group presented in these financial statements include only the results of group undertakings for the 52 weeks to 29 December 2017, in accordance with the principles of UK GAAP.

Results and dividends

The income statement is set out on page 7 and shows the profit for the year.

Dividends of £Nil were declared in the year (2016 - £3,725,000).

Directors

The directors of the company during the year were:

Mrs P A Baker
P E Baker
C Steed

Directors' responsibilities

The directors are responsible for preparing the strategic report, 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 group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that year.

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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487(2) they will be automatically re-appointed as auditors 28 days after these financial statements are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

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

P E Baker

Director

21/9/18

Date

TO THE MEMBERS OF TIMETOLEARN GROUP LIMITED

Opinion

We have audited the financial statements of Timetolearn Group Limited ("the Parent Company") and its subsidiaries (the Group) for the year ended 29 December 2017 which comprise the Statement of comprehensive income, the Balance sheet, the 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Parent Company's affairs as at 29 December 2017 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions 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 Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have 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 Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Director's 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Ian Clayden (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, United Kingdom

26/09/18

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Timetolearn Group Limited

Consolidated statement of comprehensive income for the year ended 29 December 2017

	Note	52 weeks ended 29 Dec 2017 £	53 weeks ended 30 Dec 2016 £
Turnover	3	**24,791,599**	22,464,825
Cost of sales		**(6,941,326)**	(5,862,778)
Gross profit		**17,850,273**	16,602,047
Distribution costs		**(7,651,153)**	(6,522,247)
Administrative expenses		**(6,502,263)**	(5,168,099)
Exceptional costs		**(793,590)**	(143,796)
Total administrative expenses		**(7,295,853)**	(5,311,895)
Operating profit	6	**2,903,267**	4,767,905
Interest receivable and similar income	7	**1,060**	1,331
Profit on ordinary activities before taxation		**2,904,327**	4,769,236
Taxation on profit from ordinary activities	8	**(570,417)**	(954,606)
Profit on ordinary activities after taxation		**2,333,910**	3,814,630
Total comprehensive income for the year		**2,333,910**	3,814,630

All amounts relate to continuing activities.

There are no other comprehensive income for the year.

The notes on pages 13 to 25 form part of these financial statements.

Timetolearn Group Limited

Consolidated balance sheet
at 29 December 2017

Company number 6711921	Note	29 Dec 2017 £	29 Dec 2017 £	30 Dec 2016 £	30 Dec 2016 £
Fixed assets					
Intangible assets	10		**362**		81,056
Tangible assets	12		**1,334,791**		507,536
			1,335,153		588,592
Current assets					
Stocks	13	**3,247,040**		3,196,785	
Debtors	14	**785,735**		900,678	
Cash at bank and in hand		**5,395,343**		4,304,420	
		9,428,118		8,401,883	
Creditors: amounts falling due within one year	15	**(5,375,416)**		(5,936,530)	
Net current assets			**4,052,702**		2,465,353
Total assets less current liabilities			**5,387,855**		3,053,945
Capital and reserves					
Called up share capital	17		**9,100**		9,100
Merger reserve			**(7,999)**		(7,999)
Capital redemption reserve			**300**		300
Profit and loss account			**5,386,454**		3,052,544
Shareholders' funds			**5,387,855**		3,053,945

The financial statements were approved by the Board of Directors and authorised for issue on

21/9/18

P E Baker
Director

The notes on pages 13 to 25 form part of these financial statements.

Timetolearn Group Limited

Consolidated statement of changes in equity for the year ended 29 December 2017

	Share capital £	Merger reserve £	Capital redemption reserve £	Profit and loss account £	Total equity £
30 December 2016	**9,100**	**(7,999)**	**300**	**3,052,544**	**3,053,945**
Comprehensive income for the year:					
Profit for the year	-	-	-	**2,333,910**	**2,333,910**
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	**2,333,910**	**2,333,910**
Contributions by and distributions to owners					
Dividends	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-
29 December 2017	**9,100**	**(7,999)**	**300**	**5,386,454**	**5,387,855**

	Share capital £	Merger reserve £	Capital redemption reserve £	Profit and loss Account £	Total equity £
25 December 2015	9,100	(7,999)	300	2,962,914	2,964,315
Comprehensive income for the year:					
Profit for the year	-	-	-	3,814,630	3,814,630
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,814,630	3,814,630
Contributions by and distributions to owners					
Dividends	-	-	-	(3,725,000)	(3,725,000)
Total contributions by and distributions to owners	-	-	-	(3,725,000)	(3,725,000)
30 December 2016	9,100	(7,999)	300	3,052,544	3,053,945

The notes on pages 13 to 25 form part of these financial statements.

Timetolearn Group Limited

Consolidated statement of cash flows for the year ended 29 December 2017

	29 Dec 2017 £	30 Dec 2016 £
Cash flows from operating activities		
Profit for the financial year	**2,333,910**	3,814,630
Adjustments for:		
Depreciation, impairment and amortisation of fixed assets	**406,013**	223,537
Net interest receivable	**(1,060)**	(1,331)
Taxation expense	**570,417**	954,606
(Increase) in trade and other debtors	**114,943**	(1,886,837)
(Increase) in stocks	**(50,255)**	(1,116,825)
Decrease in trade and other creditors	**284,742**	(97,397)
Cash from operations	**3,658,710**	1,890,383
Taxation paid	**(916,274)**	(886,000)
Net cash generated from operating activities	**2,742,436**	1,004,383
Cash flows from investing activities		
Purchases of tangible fixed assets	**(1,152,573)**	(402,265)
Interest received	**1,060**	1,331
Net cash from investing activities	**(1,151,513)**	(400,934)
Cash flows from financing activities		
Director loan payments	**(500,000)**	(500,000)
Net increase in cash and cash equivalents	**1,090,923**	103,449
Cash and cash equivalents at beginning of year	**4,304,420**	4,200,971
Cash and cash equivalents at end of year	**5,395,343**	4,304,420
Cash and cash equivalents comprise:		
Cash at bank and in hand	**5,395,343**	4,304,420
Bank overdrafts	**-**	-
	5,395,343	4,304,420

The notes on pages 13 to 25 form part of these financial statements.

Timetolearn Group Limited

Company balance sheet
at 29 December 2017

Company number 6711921	Note	29 Dec 2017 £	30 Dec 2016 £
Fixed assets			
Investments	11	**9,099**	9,099
Current assets			
Cash at bank and in hand		**1**	1
Net current assets		**1**	1
Total assets less current liabilities		**9,100**	9,100
Capital and reserves			
Called up share capital	17	**9,100**	9,100
Profit and loss account		**(300)**	(300)
Capital redemption reserve		**300**	300
Shareholders' funds		**9,100**	9,100

The Company recorded profit for the year of £Nil (2016 - £3,725,000).

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on

21/9/18

P E Baker
Director

The notes on pages 13 to 25 form part of these financial statements.

Timetolearn Group Limited

Company statement of changes in equity for the year ended 29 December 2017

	Share capital £	Profit and loss account £	Capital redemption reserve £	Total equity £
30 December 2016	**9,100**	**(300)**	**300**	**9,100**
Comprehensive income for the year:				
Profit for the year	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Contributions by and distributions to owners				
Dividends	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-
29 December 2017	**9,100**	**(300)**	**300**	**9,100**

	Share capital £	Profit and loss account £	Capital redemption reserve £	Total equity £
25 December 2015	9,100	(300)	300	9,100
Comprehensive income for the year:				
Profit for the year	-	3,725,000	-	3,725,000
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	3,725,000	-	3,725,000
Contributions by and distributions to owners				
Dividends	-	(3,725,000)	-	(3,725,000)
Total contributions by and distributions to owners	-	(3,725,000)	-	(3,725,000)
30 December 2016	9,100	(300)	300	9,100

The notes on pages 13 to 25 form part of these financial statements.

1 Accounting policies

Timetolearn Group Limited is a company limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- No cash flow statement has been presented for the parent company;
- Disclosures in respect of the parent company's financial instruments and share-based payment arrangements have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

Basis of consolidation

The consolidated financial statements incorporate the results of Timetolearn Group Limited and its subsidiary undertakings as at 29 December 2017 using the merger method of accounting.

The consolidated results of the group presented in these financial statements include only the results of group undertakings for the 52 week period ended 29 December 2017 (2016 - 53 weeks ended 30 December 2016), in accordance with the principles of merger accounting and UK GAAP.

Merger accounting

Where merger accounting is used, the investment is recorded in the company's balance sheet at the nominal value of the shares issued.

In the group financial statements, merged subsidiary undertakings are treated as if they had always been a member of the group. The results of such a subsidiary are included for the whole period in the year it joins the group. The corresponding figures for the previous year include its results for that period, the assets and liabilities at the previous balance sheet date and the shares issued by the company as consideration as if they had always been in issue. Any difference between the nominal value of the shares acquired by the company and those issued by the company to acquire them is taken to the merger reserve.

On 15 October 2008, the company acquired, in return for the issue of new ordinary share capital, the entire share capital of Baker Ross Limited and Yellow Moon UK Limited.

1 Accounting policies *(continued)*

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales. Turnover is recognised when the risks and rewards of owning the goods has passed to the customer which is generally on delivery.

Tangible fixed assets

Tangible fixed assets, 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.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Improvements to premises	-	Straight line over ten years
Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	25% straight line
Fixtures, fittings and equipment	-	25% of the written down value
Motor vehicles	-	25% of the written down value

Trademarks

Trademarks are valued at cost less accumulated amortisation.

Amortisation is calculated to write off the cost in equal instalments over their estimated useful life of 10 to 20 years. The valuation is reviewed each year for impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Taxation

The charge for taxation is based on the profit for the year and taking into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

Deferred tax balances are not discounted.

1 Accounting policies *(continued)*

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pensions

The group operates a non-contributory defined contribution scheme in respect of some of the directors and a defined contribution scheme in respect of some directors and senior employees. Contributions to the scheme are charged to the income statement in the year they become payable.

Dividends

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

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the income statement.

Share based payments

The fair value of employee services received in exchange for the grant of options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. This estimate is revised at each balance sheet date and the difference is charged or credited to the income statement, with a corresponding adjustment to equity.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Impairment of trade debtors. The company makes an estimate of the recoverable value of debtors. When assessing impairment of trade debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.
- Impairment of stock. The company makes an estimate of the recoverable value of stocks. When assessing impairment of stock, management considers factors including current and future market conditions, sales price history and the ageing and movement of individual stock items.

2 Judgements in applying accounting policies and key sources of estimation uncertainty *(continued)*

Other key sources of estimation uncertainty

- *Tangible fixed assets (see note 12)*

  Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining useful life of the asset and projected disposal values.

3 Turnover

The total turnover of the group for the year can be analysed as follows:

	29 Dec 2017 £	30 Dec 2016 £
Retail	**24,129,315**	21,752,696
Wholesale	**662,284**	712,129
	24,791,599	22,464,825
UK	**17,154,193**	16,694,568
Germany	**3,035,911**	2,372,616
France	**1,212,259**	1,171,866
Italy	**550,139**	581,856
Netherlands	**537,848**	298,811
USA	**275,432**	209,733
Rest of Europe	**1,471,840**	876,032
Rest of the World	**553,977**	259,343
	24,791,599	22,464,825

4 Employees

	29 Dec 2017 £	30 Dec 2016 £
Staff costs (including directors) consist of:		
Wages and salaries	**3,166,239**	3,226,461
Social security costs	**319,677**	281,071
Other pension costs	**44,346**	130,512
	3,530,262	3,638,044

4 Employees *(continued)*

The average number of employees, including directors, during the year was:	Number	Number
Warehouse	**25**	27
Administration	**61**	59
	86	86

5 Directors emoluments

	29 Dec 2017 £	30 Dec 2016 £
Directors' remuneration consist of:		
Emoluments and other benefits	**395,700**	239,918
Pension contributions	**1,538**	26,225
Fees	**48,000**	48,000
	445,238	314,143
Highest paid director		
Emoluments	**156,772**	127,770

There were no directors in the company's defined contribution pension scheme during the year (2016 - Nil).
Fees relate to the services of C. Steed and are paid to Argyll Advisory LLP, an entity related to C. Steed.

The directors are considered to be the key management personnel of the company.

6 Operating profit

	Note	29 Dec 2017 £	30 Dec 2016 £
This has been arrived at after charging/(crediting):			
Stock immediately recognised as an expense		**6,941,326**	5,862,778
Exceptional costs relating to the relocation of the business		**793,590**	143,796
Amortisation of intangible assets	**10**	**80,694**	80,692
Depreciation of tangible assets	**12**	**325,318**	142,846
Operating lease rentals - land and buildings		**497,411**	373,396
Auditors' remuneration:			
- audit fees		**38,000**	38,000
- other services		**5,000**	5,000
Foreign exchange gain		**8,429**	(185,292)

7 Interest receivable and similar income

	29 Dec 2017 £	30 Dec 2016 £
Bank interest	**1,060**	1,331

8 Taxation on profit from ordinary activities

	29 Dec 2017 £	30 Dec 2016 £
Current tax		
UK corporation tax on profits of the year	**545,826**	938,002
Deferred tax		
Origination and reversal of timing differences	**24,591**	16,604
Taxation on profit on ordinary activities	**570,417**	954,606

The tax assessed for the year is higher (2016 – higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	29 Dec 2017 £	30 Dec 2016 £
Profit on ordinary activities before tax	**2,904,327**	4,769,236
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19.25% (2016 – 20%)	**558,983**	953,883
Effects of:		
Expenses not deductible for tax purposes	**645**	1,025
Fixed asset differences	**14,069**	3,077
Adjustments to deferred tax	**(3,280)**	(3,379)
Tax charge for the year	**570,417**	954,606

9 Dividends

	29 Dec 2017 £	30 Dec 2016 £
Ordinary shares		
Dividends paid in the year of £Nil (2016 - £4.095) per share	**-**	3,725,000

10 Intangible asset

	Trademarks £
Group	
Cost	
At 30 December 2016 and 29 December 2017	**1,508,704**
Provision for diminution in value	
At 30 December 2016	1,427,648
Amortisation charge for the year	80,694
At 29 December 2017	**1,508,342**
Net book value	
At 29 December 2017	**362**
At 30 December 2016	81,056

11 Investments

	£
Company	
Cost	
At 30 December 2016 and 29 December 2017	**9,099**

The principal undertakings in which the companies interest at the year end is 20% or more are as follows:

Subsidiary undertaking	Country of incorporation	Proportion of voting rights and ordinary share capital held	Nature of business
Baker Ross Limited	England	100%	Retailer
Yellow Moon UK Limited	England	100%	Retailer

The registered office of both subsidiaries is Treviot House, 186-192 High Road, Ilford, Essex, IG1 1JQ .

12 Tangible assets

Group	Improvements to premises £	Short leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost						
At 30 December 2016	159,419	27,346	756,969	441,289	52,200	1,437,223
Additions	403,442	-	170,193	565,773	13,165	1,152,573
At 29 December 2017	**562,861**	**27,346**	**927,162**	**1,007,062**	**65,365**	**2,589,796**
Depreciation						
At 30 December 2016	77,784	27,346	492,636	290,296	41,625	929,687
Charge for the year	80,965	-	120,063	119,728	4,562	325,318
At 29 December 2017	**158,749**	**27,346**	**612,699**	**410,024**	**46,187**	**1,255,005**
Net book value						
At 29 December 2017	**404,112**	**-**	**314,463**	**597,038**	**19,178**	**1,334,791**
At 30 December 2016	81,635	-	264,333	150,993	10,575	507,536

13 Stocks

	Group 29 Dec 2017 £	Group 30 Dec 2016 £
Finished goods and goods for resale	**3,247,040**	3,196,785

There is no material difference between the replacement cost of stocks and the amounts stated above.

Stock recognised in cost of sales during the period as an expense was £6,941,326 (2016 - £5,862,778).

14 Debtors

	Group 29 Dec 2017 £	Group 30 Dec 2016 £
Trade debtors	**461,811**	608,114
Prepayments and accrued income	**323,924**	292,564
	785,735	900,678

All amounts shown under debtors fall due for payment within one year.

15 Creditors: amounts falling due within one year

	Group 29 Dec 2017 £	Group 30 Dec 2016 £
Trade creditors	**1,404,263**	1,769,460
Corporation tax	**89,530**	459,978
Other taxation and social security	**547,422**	518,076
Other creditors	**73,820**	7,704
Directors account (note 20)	**2,349,052**	2,849,052
Deferred tax (note 16)	**62,237**	37,646
Accruals	**849,092**	294,614
	5,375,416	5,936,530

16 Deferred taxation

	29 Dec 2017 £	30 Dec 2016 £
Accelerated capital allowances	**62,958**	49,546
Short term timing differences	**(721)**	(11,900)
Provision for deferred tax	**62,237**	37,646
Provision brought forward	**37,646**	21,042
Deferred tax charged to the income statement	**24,591**	16,604
Deferred tax liability (note 15)	**62,237**	37,646

17 Share capital

	Authorised			
	29 Dec 2017 Number	30 Dec 2016 Number	29 Dec 2017 £	30 Dec 2016 £
Ordinary "A" shares of £0.01 each	**10,000,000**	10,000,000	**100,000**	100,000
Ordinary "B" shares of £0.01 each	**10,000,000**	10,000,000	**100,000**	100,000
	20,000,000	20,000,000	**200,000**	200,000

	Allotted, called up and fully paid			
	29 Dec 2017 Number	30 Dec 2016 Number	29 Dec 2017 £	30 Dec 2016 £
Ordinary "A" shares of £0.01 each	**909,900**	909,900	**9,100**	9,100
Ordinary "B" shares of £0.01 each	**-**	-	**-**	-
	909,900	909,900	**9,100**	9,100

18 Commitments under operating leases

As at 29 December 2017, the group had annual commitments under non-cancellable operating leases as set out below:

	29 Dec 2017 Land and buildings £	30 Dec 2016 Land and buildings £
Operating leases which expire:		
Not later than one year	**393,000**	371,894
Later than one and not later than five years	**1,484,462**	1,580,750
Later than five years	**-**	300,000

19 Financial instruments

Financial instruments may be analysed as follows:

	29 Dec 2017 Group £	30 Dec 2016 Group £	29 Dec 2017 Company £	30 Dec 2016 Company £
Financial assets measured at amortised cost	**5,857,154**	4,912,534	1	1
Financial liabilities measured at amortised cost	**4,602,404**	4,913,126	-	-

Financial assets measured at amortised cost included trade debtors and cash.

Financial liabilities measured at amortised cost included trade creditors, directors accounts and accruals.

20 Related party transactions

The only related party transactions relate to the directors' loan accounts. £500,000 was repaid during the year.

At 29 December 2017 an amount of £1,276,416 (2016 - £1,276,416) was due to P A Baker in respect of unpaid dividends. At 29 December 2017 an amount of £1,072,636 (2016 - £1,572,636) was due to P E Baker in respect of unpaid dividends.

21 Share based payments

Equity-settled share-based payments

The Timetolearn Group Limited has a number of share option agreements with employees of its subsidiary Baker Ross Limited which are to be equity-settled.

No expense was recognised for the year as the vesting conditions under option issue were not met.

No new options were issued in the year.

The options issued are exercisable only on the sale of the company. As such an event is not currently considered probable no charge has been recognised in respect of these options.

No options were exercised during the year. The following information applies to options outstanding at the end of each period:

	29 Dec 2017		
Range of exercise prices	**Weighted average exercise price (£'s)**	**Number**	**Weighted average remaining life Contractual**
£0.01 - £0.01	**0.01**	**40,000**	**No end date**

	30 Dec 2016		
Range of exercise prices	**Weighted average exercise price (£'s)**	**Number**	**Weighted average remaining life Contractual**
£0.01 - £0.01	0.01	151,250	No end date

A reconciliation of movements in the number of share options is summarised below:

	2017 Weighted average exercise price (£'s)	**2017 Number**	**2016 Weighted average exercise price (£'s)**	**2016 Number**
Outstanding at start of period	**0.01**	**151,250**	0.01	130,000
Granted	**0.01**	**-**	0.01	21,250
Forfeited	**0.01**	**111,250**	0.01	-
Outstanding at end of period	**0.01**	**40,000**	0.01	151,250
Exercisable at end of period	**0.01**	**-**	0.01	-

22 Statutory income statement for Timetolearn Group Limited

The profit of the company is disclosed on the company balance sheet.

No directors emoluments were paid for the year by the company.

23 Ultimate controlling party

The ultimate controlling party of the group is P E Baker, who owns 55% of the share capital of Timetolearn Group Limited.