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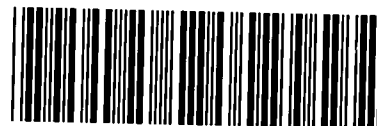
REGISTERED NUMBER: SC348513 (Scotland)

COMPANIES HOUSE

ALH GROUP LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTOR AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2017

Milne Craig
Chartered accountants
Statutory auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

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21/09/2017

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COMPANIES HOUSE

ALH GROUP LIMITED

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FOR THE YEAR ENDED 31 JANUARY 2017**

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ALH GROUP LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2017

DIRECTOR: A M Hodge

SECRETARY: J Hodge

REGISTERED OFFICE: 3 Brewster Place
Riverside Business Park
Irvine
KA11 5DD

REGISTERED NUMBER: SC348513 (Scotland)

SENIOR STATUTORY AUDITOR: Sheila MacLeod BA FCCA

AUDITORS: Milne Craig
Chartered accountants
Statutory auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

BANKERS: Royal Bank of Scotland plc
35-37 Main Street
Largs
Ayrshire
KA30 8AF

ALH GROUP LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2017

The principal activity of the company is the sale of clothing and household goods.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the sale of clothing and household items.

REVIEW OF BUSINESS

The key financial highlights are as follows:

	2017	2016
	£	£
Turnover	7,653,052	8,053,263
Turnover growth	(-5%)	(5%)
Profit before tax	713,648	851,830

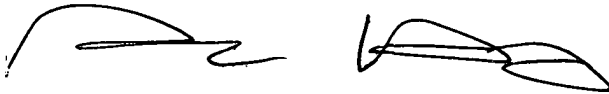
The net assets of the group have increased from £5,348,236 at 31st January 2016 to £5,955,484 at 31st January 2017.

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure has increased in the market place and the directors strive to ensure that margins and profitability remain consistent year on year.

In addition the directors seek to control overhead costs in order to maintain the profitability of the group.

ON BEHALF OF THE BOARD:



A M Hodge - Director

28 August 2017

ALH GROUP LIMITED

REPORT OF THE DIRECTOR FOR THE YEAR ENDED 31 JANUARY 2017

The director presents his report with the financial statements of the company and the group for the year ended 31 January 2017.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the sale of clothing and household items.

DIVIDENDS

Dividends totalling £106,400 were paid out during the year.

FUTURE DEVELOPMENTS

The directors aims to maintain the management policies adopted during the period to 31 January 2017 and consider the group is well placed to take advantage of opportunities which may arise in the current year.

DIRECTOR

A M Hodge held office during the whole of the period from 1 February 2016 to the date of this report.

FINANCIAL INSTRUMENTS

The group's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to finance the group's operations.

Trade debtors are managed in respect of credit and cashflow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

ENVIRONMENT

The group recognises the importance of its environmental responsibilities, and has policies in place to manage its impact on the environment.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, the Report of the Director 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 he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

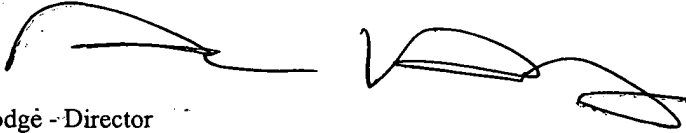
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ALH GROUP LIMITED
REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 JANUARY 2017

AUDITORS

The auditors, Milne Craig, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A M Hodgè', with a long horizontal stroke extending to the right.

A M Hodgè - Director

28 August 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ALH GROUP LIMITED

We have audited the financial statements of ALH Group Limited for the year ended 31 January 2017 on pages seven to twenty seven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

Respective responsibilities of director and auditors

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 January 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Group Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the group and the parent company and its environment, we have not identified any material misstatements in the Group Strategic Report or the Report of the Director.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ALH GROUP LIMITED**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Milne Craig

Sheila MacLeod BA FCCA (Senior Statutory Auditor)

for and on behalf of Milne Craig

Chartered accountants

Statutory auditor

Abercorn House

79 Renfrew Road

Paisley

Renfrewshire

PA3 4DA

28 August 2017

ALH GROUP LIMITED

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2017**

	Notes	2017 £	2016 £
TURNOVER	3	7,653,052	8,053,263
Cost of sales		<u>(4,608,435)</u>	<u>(4,975,463)</u>
GROSS PROFIT		3,044,617	3,077,800
Administrative expenses		<u>(2,663,558)</u>	<u>(2,482,830)</u>
		381,059	594,970
Other operating income		<u>448,000</u>	<u>398,000</u>
OPERATING PROFIT		829,059	992,970
Interest payable and similar expenses	5	<u>(30,345)</u>	<u>(29,280)</u>
PROFIT BEFORE TAXATION	6	798,714	963,690
Tax on profit	7	<u>(85,066)</u>	<u>(111,860)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>713,648</u>	<u>851,830</u>
Profit attributable to: Owners of the parent		<u>713,648</u>	<u>851,830</u>

The notes form part of these financial statements

ALH GROUP LIMITED

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2017**

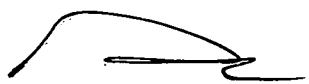
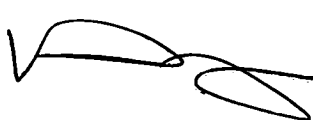
	Notes	2017 £	2016 £
PROFIT FOR THE YEAR		713,648	851,830
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>713,648</u></u>	<u><u>851,830</u></u>
Total comprehensive income attributable to: Owners of the parent		<u><u>713,648</u></u>	<u><u>851,830</u></u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 JANUARY 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	11	524,621	436,622
Investments	12	25,000	25,000
Investment property	13	1,666,751	1,715,266
		<u>2,216,372</u>	<u>2,176,888</u>
CURRENT ASSETS			
Stocks	14	3,787,516	2,851,427
Debtors	15	433,054	511,406
Cash at bank and in hand		1,083,957	1,347,055
		<u>5,304,527</u>	<u>4,709,888</u>
CREDITORS			
Amounts falling due within one year	16	1,300,875	1,332,466
NET CURRENT ASSETS		<u>4,003,652</u>	<u>3,377,422</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,220,024</u>	<u>5,554,310</u>
CREDITORS			
Amounts falling due after more than one year	17	(205,280)	(156,561)
PROVISIONS FOR LIABILITIES	21	(59,260)	(49,513)
NET ASSETS		<u><u>5,955,484</u></u>	<u><u>5,348,236</u></u>
CAPITAL AND RESERVES			
Called up share capital	22	14,000	14,000
Share premium	23	781,004	781,004
Retained earnings	23	5,160,480	4,553,232
SHAREHOLDERS' FUNDS		<u><u>5,955,484</u></u>	<u><u>5,348,236</u></u>

The financial statements were approved by the director on 28 August 2017 and were signed by:

A M Hodge - Director

COMPANY BALANCE SHEET
31 JANUARY 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	11	-	-
Investments	12	25,003	25,003
Investment property	13	-	-
		<u>25,003</u>	<u>25,003</u>
CURRENT ASSETS			
Debtors	15	3,385,667	2,147,592
Cash at bank		720,267	147,469
		<u>4,105,934</u>	<u>2,295,061</u>
CREDITORS			
Amounts falling due within one year	16	<u>1,513,064</u>	<u>198,910</u>
NET CURRENT ASSETS		<u>2,592,870</u>	<u>2,096,151</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,617,873</u>	<u>2,121,154</u>
CREDITORS			
Amounts falling due after more than one year	17	<u>205,280</u>	<u>156,561</u>
NET ASSETS		<u><u>2,412,593</u></u>	<u><u>1,964,593</u></u>
CAPITAL AND RESERVES			
Called up share capital	22	14,000	14,000
Share premium		781,004	781,004
Retained earnings		<u>1,617,589</u>	<u>1,169,589</u>
SHAREHOLDERS' FUNDS		<u><u>2,412,593</u></u>	<u><u>1,964,593</u></u>
Company's profit for the financial year		<u><u>554,400</u></u>	<u><u>560,850</u></u>

The financial statements were approved by the director on 28 August 2017 and were signed by:



A M Hodge - Director

ALH GROUP LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2017**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 February 2015	14,000	3,894,252	781,004	4,689,256
Changes in equity				
Dividends	-	(192,850)	-	(192,850)
Total comprehensive income	-	851,830	-	851,830
Balance at 31 January 2016	14,000	4,553,232	781,004	5,348,236
Changes in equity				
Dividends	-	(106,400)	-	(106,400)
Total comprehensive income	-	713,648	-	713,648
Balance at 31 January 2017	14,000	5,160,480	781,004	5,955,484

The notes form part of these financial statements

ALH GROUP LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2017**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 February 2015	14,000	801,589	781,004	1,596,593
Changes in equity				
Dividends	-	(192,850)	-	(192,850)
Total comprehensive income	-	560,850	-	560,850
Balance at 31 January 2016	<u>14,000</u>	<u>1,169,589</u>	<u>781,004</u>	<u>1,964,593</u>
Changes in equity				
Dividends	-	(106,400)	-	(106,400)
Total comprehensive income	-	554,400	-	554,400
Balance at 31 January 2017	<u>14,000</u>	<u>1,617,589</u>	<u>781,004</u>	<u>2,412,593</u>

The notes form part of these financial statements

ALH GROUP LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	201,640	984,479
Interest paid		(30,345)	(29,280)
Tax paid		(123,477)	(158,955)
Net cash from operating activities		47,818	796,244
Cash flows from investing activities			
Purchase of tangible fixed assets		(174,841)	(48,605)
Purchase of investment property		(68,075)	(114,840)
Sale of tangible fixed assets		1,300	2,454
Sale of investment property		36,018	-
Net cash from investing activities		(205,598)	(160,991)
Cash flows from financing activities			
New loans in year		320,000	42,350
Loan repayments in year		(126,446)	(119,260)
Other loans repaid		(161,920)	(4,000)
Amount withdrawn by directors		(30,552)	(30,915)
Equity dividends paid		(106,400)	(192,850)
Net cash from financing activities		(105,318)	(304,675)
(Decrease)/increase in cash and cash equivalents		(263,098)	330,578
Cash and cash equivalents at beginning of year	2	1,347,055	1,016,477
Cash and cash equivalents at end of year	2	1,083,957	1,347,055

The notes form part of these financial statements

ALH GROUP LIMITED

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2017**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£	£
Profit before taxation	798,714	963,690
Depreciation charges	83,023	87,830
Loss on disposal of fixed assets	11,214	14,071
Impairment provision	71,877	-
Finance costs	30,345	29,280
	<u>995,173</u>	<u>1,094,871</u>
(Increase)/decrease in stocks	(936,089)	148,274
Decrease/(increase) in trade and other debtors	78,352	(324,220)
Increase in trade and other creditors	64,204	65,554
	<u>201,640</u>	<u>984,479</u>
Cash generated from operations	<u><u>201,640</u></u>	<u><u>984,479</u></u>

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 January 2017

	31/1/17	1/2/16
	£	£
Cash and cash equivalents	1,083,957	1,347,055
	<u><u>1,083,957</u></u>	<u><u>1,347,055</u></u>

Year ended 31 January 2016

	31/1/16	1/2/15
	£	£
Cash and cash equivalents	1,347,055	1,016,477
	<u><u>1,347,055</u></u>	<u><u>1,016,477</u></u>

ALH GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2017

1. STATUTORY INFORMATION

ALH Group Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the General Information page.

The nature of the Company's operations and its principal activities are set out in the Director's Report on page 2.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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

Going Concern

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

Basis of consolidation

The group financial statements consolidate the financial statements of ALH Group Ltd and its subsidiary undertakings drawn up to 31st January each year. No profit and loss account is presented for ALH Group Ltd in accordance with section 408 of the Companies Act 2006.

Critical accounting judgements & key sources of estimation uncertainty

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

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 life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold, or where stock is sold post year end at a loss.

Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Consideration is given to the point at which the Company is entitled to receive the income, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the provision of services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due;
- the costs incurred can be measured reliably.

ALH GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2017

2. ACCOUNTING POLICIES - continued

Tangible assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 10% on cost
Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on cost

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.

An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

If a reliable measure is not available without undue cost or effort for an item of investment property, this item is thereafter accounted for as tangible fixed assets in accordance with section 17 until a reliable measure of fair value becomes available.

ALH GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2017

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

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

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

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

Basic financial assets

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

Derecognition of financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

Cash and cash equivalents

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

ALH GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2017

2. ACCOUNTING POLICIES - continued

Investments

Investments held as fixed assets are stated at cost less provision for any impairment assessed by the director.

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

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

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Deferred tax assets and deferred tax liabilities are offset only if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2017	2016
	£	£
Sales of goods	7,632,680	8,039,423
Rental Income	20,372	13,840
	<u>7,653,052</u>	<u>8,053,263</u>

Segmental analysis has not been provided as the directors consider that such disclosure would be prejudicial to the business.

4. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	850,679	801,040
Social security costs	52,641	49,833
Other pension costs	9,402	7,510
	<u>912,722</u>	<u>858,383</u>

ALH GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2017**

4. EMPLOYEES AND DIRECTORS - continued

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

	2017	2016
Retail staff	40	36
Warehouse staff	16	16
Office staff	13	13
	<u>69</u>	<u>65</u>

The average number of employees by undertakings that are proportionately consolidated during the year was 69.

	2017	2016
	£	£
Director's remuneration	<u>44,000</u>	<u>24,000</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Bank interest	2,695	1,248
Bank loan interest	7,616	10,732
Interest on late paid tax	38	-
Loan interest	19,996	17,300
	<u>30,345</u>	<u>29,280</u>

6. PROFIT BEFORE TAXATION

The profit is stated after charging:

	2017	2016
	£	£
Other operating leases	-	1,600
Depreciation - owned assets	83,023	87,830
Loss on disposal of fixed assets	11,214	14,071
Auditors' remuneration	<u>15,500</u>	<u>15,500</u>

7. TAXATION

Analysis of the tax charge

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

	2017	2016
	£	£
Current tax:		
UK corporation tax	75,319	123,477
Deferred tax	9,747	(11,617)
Tax on profit	<u>85,066</u>	<u>111,860</u>

UK corporation tax has been charged at 20%.

ALH GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2017**

7. TAXATION - continued

Further reductions to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2016 on 15 July 2015. These reduce the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020. The deferred tax assets and liabilities reflect these rates

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. DIVIDENDS

	2017	2016
	£	£
Equity shares:		
'A' Ordinary £1 shares	38,000	57,500
'B' Ordinary £1 shares	36,480	55,200
'C' Ordinary £1 shares	31,160	79,000
'D' Ordinary £1 shares	760	1,150
	106,400	192,850

10. DEFINED CONTRIBUTION PENSION SCHEME

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in various independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £9,402 (2016 - £7,510) including contributions in respect of employees. There were outstanding contributions payable to the fund amounting to £1,437 at 31st January 2017 (2016 - £1,355).

ALH GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2017**

11. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 February 2016	140,000	32,679	323,883
Additions	-	100,511	50,782
Disposals	-	(1,600)	(5,525)
At 31 January 2017	140,000	131,590	369,140
DEPRECIATION			
At 1 February 2016	-	15,279	129,043
Charge for year	2,800	6,092	46,050
Eliminated on disposal	-	(307)	(3,038)
At 31 January 2017	2,800	21,064	172,055
NET BOOK VALUE			
At 31 January 2017	137,200	110,526	197,085
At 31 January 2016	140,000	17,400	194,840
	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 February 2016	208,559	26,153	731,274
Additions	23,548	-	174,841
Disposals	(158)	-	(7,283)
At 31 January 2017	231,949	26,153	898,832
DEPRECIATION			
At 1 February 2016	126,352	23,978	294,652
Charge for year	28,081	-	83,023
Eliminated on disposal	(119)	-	(3,464)
At 31 January 2017	154,314	23,978	374,211
NET BOOK VALUE			
At 31 January 2017	77,635	2,175	524,621
At 31 January 2016	82,207	2,175	436,622

ALH GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2017**

12. FIXED ASSET INVESTMENTS

Group

	Unlisted investments £
COST	
At 1 February 2016 and 31 January 2017	25,000
NET BOOK VALUE	
At 31 January 2017	<u>25,000</u>
At 31 January 2016	<u>25,000</u>

Company

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 February 2016 and 31 January 2017	3	25,000	25,003
NET BOOK VALUE			
At 31 January 2017	<u>3</u>	<u>25,000</u>	<u>25,003</u>
At 31 January 2016	<u>3</u>	<u>25,000</u>	<u>25,003</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

XS Stock.com Limited

Registered office:

Nature of business: Sale of household goods and clothing

	% holding	2017 £	2016 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		1,671,973	1,589,667
Profit for the year		<u>82,306</u>	<u>135,860</u>

XS Irvine Limited

Registered office:

Nature of business: Sale of household goods and clothing

	% holding	2017 £	2016 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		1,561,684	1,437,574
Profit for the year		<u>124,110</u>	<u>235,899</u>

ALH GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2017**

12. FIXED ASSET INVESTMENTS - continued

XS Property Limited

Registered office:

Nature of business: Property letting

Class of shares:	%
Ordinary	holding 100.00

	2017	2016
	£	£
Aggregate capital and reserves	312,038	356,405
Profit for the year	<u>62,033</u>	<u>82,071</u>

13. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 February 2016	1,715,266
Additions	68,075
Disposals	(44,713)
Impairments	<u>(71,877)</u>
At 31 January 2017	<u>1,666,751</u>
NET BOOK VALUE	
At 31 January 2017	<u>1,666,751</u>
At 31 January 2016	<u>1,715,266</u>

Investment properties, which are all freehold, are valued at fair value at 31st January 2017 by the directors of the firm. The directors have used current market value and rateable value to determine the fair value of properties at the balance sheet date.

14. STOCKS

	Group	
	2017	2016
	£	£
Stocks	<u>3,787,516</u>	<u>2,851,427</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	294,994	195,729	-	-
Amounts owed by group undertakings	-	-	3,285,667	1,972,592
Other debtors	100,995	175,000	100,000	175,000
Prepayments	<u>37,065</u>	<u>140,677</u>	<u>-</u>	<u>-</u>
	<u>433,054</u>	<u>511,406</u>	<u>3,385,667</u>	<u>2,147,592</u>

ALH GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2017

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts (see note 18)	84,835	120,000	84,835	120,000
Other loans (see note 18)	406,430	388,350	-	42,350
Trade creditors	94,068	200,770	-	-
Amounts owed to group undertakings	-	-	1,400,000	-
Corporation tax	75,319	123,477	-	-
Social security and other taxes	512,505	402,330	-	-
Other creditors	21,400	-	21,400	-
Directors' current accounts	4,748	35,300	4,743	35,300
Accrued expenses	101,570	62,239	2,086	1,260
	<u>1,300,875</u>	<u>1,332,466</u>	<u>1,513,064</u>	<u>198,910</u>

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

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans (see note 18)	<u>205,280</u>	<u>156,561</u>	<u>205,280</u>	<u>156,561</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	84,835	120,000	84,835	120,000
Other loans	406,430	388,350	-	42,350
	<u>491,265</u>	<u>508,350</u>	<u>84,835</u>	<u>162,350</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>81,351</u>	<u>142,811</u>	<u>81,351</u>	<u>142,811</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>36,160</u>	<u>13,750</u>	<u>36,160</u>	<u>13,750</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>87,769</u>	<u>-</u>	<u>87,769</u>	<u>-</u>

ALH GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2017**

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans	<u>290,115</u>	<u>276,561</u>	<u>290,115</u>	<u>276,561</u>

The group bank borrowings are secured by a bond and floating charge over the assets of the group.

20. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2017	2016
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>5,304,527</u>	<u>4,709,888</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>1,300,875</u>	<u>1,332,466</u>

21. PROVISIONS FOR LIABILITIES

	Group	
	2017	2016
	£	£
Deferred tax	<u>59,260</u>	<u>49,513</u>
Group		
		Deferred tax
		£
Balance at 1 February 2016		49,513
Capital allowances in excess of depreciation		9,747
Balance at 31 January 2017		<u>59,260</u>

ALH GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2017

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid : Number	Class	Nominal value	2017 £	2016 £
5,000	'A' Ordinary	£1	5,000	5,000
4,800	'B' Ordinary	£1	4,800	4,800
4,100	'C' Ordinary	£1	4,100	4,100
100	'D' Ordinary	£1	100	100
			<u>14,000</u>	<u>14,000</u>

23. RESERVES

Capital redemption reserve

Includes amounts arising from the redemption of shares from capital.

Retained earnings

Includes all current and prior year retained profits and losses less dividends.

Share premium

Represents the difference between the nominal value of the shares issued during previous issue of shares and the fair value of the assets transferred.

24. CONTINGENT LIABILITIES

The company has a contingent liability regarding the cross guarantee of group bank borrowing facilities. At 31st January, 2017 the total facility available amounted to £899,737 of which £290,112 had been utilised.

The facility of £899,737 bank borrowings are secured by bond and floating charge over the companies assets and a third party guarantee.

25. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 January 2017 and 31 January 2016:

	2017 £	2016 £
A M Hodge		
Balance outstanding at start of year	35,300	66,215
Amounts advanced	344,359	-
Amounts repaid	(374,911)	(30,915)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>4,748</u>	<u>35,300</u>

26. RELATED PARTY DISCLOSURES

During the year the one of the subsidiary companies paid rent amounting to £100,000 (2016 - £100,000) to AMH Direct SSAS, of which director Adrian Hodge is a beneficiary.

ALH GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2017**

27. ULTIMATE CONTROLLING PARTY

By virtue of his interests in the share capital of ALH Group Limited, the parent company, Mr A Hodge, a director, controls the majority of the voting rights and thus has ultimate control of the group.