REGISTERED NUMBER: SC445262 (Scotland)

GROUP STRATEGIC REPORT, DIRECTORS' REPORT AND

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2017

FOR

FAILTE GROUP LIMITED

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FOR THE YEAR ENDED 31 JANUARY 2017

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2017

DIRECTORS:	J Cummiskey G J Rennie
SECRETARY:	J Cummiskey
REGISTERED OFFICE:	East Warehouse Glasgow Fruit Market Blochairn Road Glasgow G21 2DU
REGISTERED NUMBER:	SC445262 (Scotland)
AUDITORS:	Consilium Audit Limited (Statutory Auditor) 169 West George Street Glasgow G2 2LB

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2017

The directors present their strategic report of the Company and the Group for the year ended 31 January 2017.

REVIEW OF BUSINESS
The Group enjoyed another profitable and positive year. Group turnover has increased by 2.3% on the prior year due to increased trade across the Group. The directors are satisfied with the results in the year and remain confident about the business' prospects going forward.

KEY PERFORMANCE INDICATORS
The Group's gross profit margin has decreased slightly from 24.7% in 2016 to 24.2% in 2017. The operating margin has also decreased slightly to 5.4% (2016 - 6.6%). The Group has net assets at the year end of £3.4m (2016 - £3.6m). Overall the directors are satisfied with these results.

PRINCIPAL RISKS AND UNCERTAINTIES
The directors have assessed the main risk facing the Company and the Group as a catastrophe at its premises. To mitigate against this risk the Group has implemented disaster recovery policies which would serve to minimise the effects of any such events and allow the business to continue as normal.

FINANCIAL RISK MANAGEMENT
The Group makes little use of financial instruments other than an operational bank account and small hire purchase contracts and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the group.

POST BALANCE SHEET EVENTS
On 17 August 2017, there was a fire at the Glasgow Fruit Market. This fire resulted in the destruction of the premises from which Failte Produce Limited operated. Further details are included in note 24 to the financial statements.

ON BEHALF OF THE BOARD:

J Cummiskey - Director

23 October 2017

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2017

The directors present their report with the financial statements of the Company and the Group for the year ended 31 January 2017.

PRINCIPAL ACTIVITIES
The principal activities of the Group in the year under review were those of the sale and distribution of food and soft drinks to the catering and retails sectors and fruit and vegetable wholesale.

DIVIDENDS
Details of dividends paid are included in the notes to the financial statements.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

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

J Cummiskey
G J Rennie

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Group 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 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 Company and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each director 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.

AUDITORS
The auditors, Consilium Audit Limited (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J Cummiskey - Director

23 October 2017

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

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

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

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 directors; 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 Directors' Report 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 Directors' Report 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 Directors' Report.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Holt (Senior Statutory Auditor)
for and on behalf of Consilium Audit Limited (Statutory Auditor)
169 West George Street
Glasgow
G2 2LB

24 October 2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2017

	Notes	2017 £	2016 £
TURNOVER		21,278,228	20,802,422
Cost of sales		16,122,003	15,660,047
GROSS PROFIT		5,156,225	5,142,375
Administrative expenses		4,027,643	3,789,409
		1,128,582	1,352,966
Other operating income		15,000	15,000
OPERATING PROFIT	4	1,143,582	1,367,966
Interest receivable and similar income		2,176	1,565
Interest payable and similar expenses	5	(3,527)	(2,645)
PROFIT BEFORE TAXATION		1,142,231	1,366,886
Tax on profit	6	376,270	283,769
PROFIT FOR THE FINANCIAL YEAR		765,961	1,083,117
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		765,961	1,083,117
Profit attributable to:			
Owners of the parent		838,287	1,052,506
Non-controlling interests		(72,326)	30,611
		765,961	1,083,117
Total comprehensive income attributable to:			
Owners of the parent		838,287	1,052,506
Non-controlling interests		(72,326)	30,611
		765,961	1,083,117

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 JANUARY 2017

	Notes	2017 £	2017 £	2016 £	2016 £
FIXED ASSETS					
Intangible assets	9		53,885		96,993
Tangible assets	10		1,088,664		1,303,971
Investments	11		15,000		15,000
			1,157,549		1,415,964
CURRENT ASSETS					
Stocks	12	692,889		602,557	
Debtors	13	1,008,184		775,103	
Cash at bank and in hand		2,466,761		2,400,417	
		4,167,834		3,778,077	
CREDITORS					
Amounts falling due within one year	14	1,760,232		1,425,747	
NET CURRENT ASSETS			2,407,602		2,352,330
TOTAL ASSETS LESS CURRENT LIABILITIES			3,565,151		3,768,294
CREDITORS					
Amounts falling due after more than one year	15		-		(21,038)
PROVISIONS FOR LIABILITIES	18		(167,882)		(115,948)
NET ASSETS			3,397,269		3,631,308
CAPITAL AND RESERVES					
Called up share capital	19		200		200
Other reserves	20		9,900		9,900
Retained earnings	20		3,416,614		3,578,327
SHAREHOLDERS' FUNDS			3,426,714		3,588,427
NON-CONTROLLING INTERESTS	21		(29,445)		42,881
TOTAL EQUITY			3,397,269		3,631,308

The financial statements were approved by the Board of Directors on 23 October 2017 and were signed on its behalf by:

J Cummiskey - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
31 JANUARY 2017

	Notes	2017 £	2017 £	2016 £	2016 £
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		257,510		263,475
Investments	11		100		100
			257,610		263,575
CURRENT ASSETS					
Cash in hand		100		100	
NET CURRENT ASSETS			100		100
TOTAL ASSETS LESS CURRENT LIABILITIES			257,710		263,675
CAPITAL AND RESERVES					
Called up share capital	19		200		200
Retained earnings	20		257,510		263,475
SHAREHOLDERS' FUNDS			257,710		263,675
Company's profit for the financial year			994,035		294,035

The financial statements were approved by the Board of Directors on 23 October 2017 and were signed on its behalf by:

J Cummiskey - Director

The notes form part of these financial statements

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

	Called up share capital £	Retained earnings £	Other reserves £
Balance at 1 February 2015	200	2,825,821	9,900
Changes in equity			
Dividends	-	(300,000)	-
Total comprehensive income	-	1,052,506	-
Balance at 31 January 2016	200	3,578,327	9,900
Changes in equity			
Dividends	-	(1,000,000)	-
Total comprehensive income	-	838,287	-
Balance at 31 January 2017	200	3,416,614	9,900

	Total £	Non-controlling interests £	Total equity £
Balance at 1 February 2015	2,835,921	12,270	2,848,191
Changes in equity			
Dividends	(300,000)	-	(300,000)
Total comprehensive income	1,052,506	30,611	1,083,117
Balance at 31 January 2016	3,588,427	42,881	3,631,308
Changes in equity			
Dividends	(1,000,000)	-	(1,000,000)
Total comprehensive income	838,287	(72,326)	765,961
Balance at 31 January 2017	3,426,714	(29,445)	3,397,269

The notes form part of these financial statements

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

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2015	200	269,440	269,640
Changes in equity			
Dividends	-	(300,000)	(300,000)
Total comprehensive income	-	294,035	294,035
Balance at 31 January 2016	200	263,475	263,675
Changes in equity			
Dividends	-	(1,000,000)	(1,000,000)
Total comprehensive income	-	994,035	994,035
Balance at 31 January 2017	200	257,510	257,710

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	26	1,681,718	1,777,822
Interest element of hire purchase payments paid		(3,527)	(2,645)
Tax paid		(259,409)	(139,699)
Net cash from operating activities		1,418,782	1,635,478
Cash flows from investing activities			
Purchase of tangible fixed assets		(214,248)	(247,160)
Sale of tangible fixed assets		28,183	32,198
Interest received		2,176	1,565
Net cash from investing activities		(183,889)	(213,397)
Cash flows from financing activities			
Capital repayments on HP contracts		(84,150)	(63,112)
Amount withdrawn by directors		(84,399)	-
Equity dividends paid		(1,000,000)	(300,000)
Net cash from financing activities		(1,168,549)	(363,112)
Increase in cash and cash equivalents		66,344	1,058,969
Cash and cash equivalents at beginning of year	27	2,400,417	1,415,577
Cash and cash equivalents at end of year	27	2,466,761	2,400,417

The notes form part of these financial statements

FAILTE GROUP LIMITED (REGISTERED NUMBER: SC445262)

ERROR MESSAGES FROM THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2017

** LAST YEAR - MOVEMENT IN CASH AND CASH EQUIVALENTS
AS CALCULATED IN CONSOLIDATED CASH FLOW STATEMENT
DOES NOT AGREE TO MOVEMENT PER BALANCE SHEET

COMPARE MOVEMENT ON CONSOLIDATED CASH FLOW STATEMENT		=	1,058,969
TO	MOVEMENT PER BALANCE SHEET CASH AND CASH EQUIVALENTS	=	984,840

1. STATUTORY INFORMATION

Failte 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 presentation currency of the financial statements is the Pound Sterling (£).

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" ("FRS 102") and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Judgements in applying accounting policies and key sources of estimation uncertainty
Preparation of the financial statements requires management to make significant judgements and estimates. In preparing the financial statements the directors have made the following judgements:

- Determine whether leases entered into by the Group as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether any bad debt provision is required via review of trade debtors, with debts provided for on a specific basis. Factors considered include customer payment history and agreed credit terms.
- Determine whether any stock provision is required via comparison of cost and net realisable value of stock on an item by item basis.

The following principal accounting policies have been applied:

Basis of consolidation
The results of the Group consolidate the results of Failte (Holdings) Limited and all of its subsidiary undertakings as at 31 January 2017. Merger accounting has been used to consolidated Failte Food Service Limited whilst the rest of the subsidiary undertakings are consolidated under acquisition accounting.

The investment in subsidiary undertakings is recorded in the Company's balance sheet at the nominal value of the shares issued together with the fair value of any additional consideration paid.

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 which it joins the Group. 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.

Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over 5 years from the year of acquisition. The results of the companies acquired or disposed of are included in the Statement of Comprehensive Income after or up to date that control passes respectively. As a consolidated Statement of Comprehensive Income is published, a separate Statement of Comprehensive Income for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

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2. **ACCOUNTING POLICIES - continued**

Turnover
The turnover shown in the Consolidated Statement of Comprehensive Income represents the value of all goods sold during the year, less returns received and services delivered at a selling price exclusive of Value Added Tax. Sales are recognised at the point at which the Group has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

Goodwill
Positive purchased goodwill arising on acquisitions was capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life. This length of time was presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerged that indicated that the carrying value may not be recoverable.

Amortisation
Amortisation was calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Goodwill	- 5 years straight line

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

Heritable property	- 2% on cost and Over remaining useful life of 46 years
Plant and machinery	- 25% straight line
Fixtures and fittings	- 25% straight line and 20% on cost
Motor vehicles	- 25% straight line and 20% on cost

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

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

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

Current or deferred taxation assets and liabilities are not discounted.

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

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

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

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

continued...

2. **ACCOUNTING POLICIES - continued**

Operating lease commitments
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial instruments
Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

Hire purchase agreements
Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value, and are depreciated in accordance with the above depreciation policies.

Future instalments payable under such agreements, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element, which reduces the outstanding obligation included within creditors, and the finance element, which is charged to the Consolidated Statement of Comprehensive Income on a straight line basis.

Fixed asset investments
Investments are stated at cost less provision for any diminution of value, if such reduction is deemed to be of a permanent nature.

Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

3. **EMPLOYEES AND DIRECTORS**

	2017	2016
	£	£
Wages and salaries	2,019,124	1,862,547
Social security costs	141,879	135,735
	2,161,003	1,998,282

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

	2017	2016
Management	2	2
Production	27	26
Distribution	65	65
Sales and administration	21	20
	115	113

The average number of employees by undertakings that are proportionately consolidated during the year was 115 (2016 - 113) .

continued...

3. **EMPLOYEES AND DIRECTORS - continued**

	2017	2016
	£	£
Directors' remuneration	43,655	47,209

The Company considers key management to be the directors of the Company. The key management remuneration for the year is as disclosed above.

4. **OPERATING PROFIT**

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

	2017	2016
	£	£
Other operating leases	113,341	141,297
Depreciation - owned assets	390,551	383,003
Depreciation - assets on hire purchase contracts	30,000	28,117
Profit on disposal of fixed assets	(19,179)	(10,695)
Goodwill amortisation	43,108	43,108
Auditors' remuneration	9,000	9,000

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2017	2016
	£	£
Hire purchase interest	3,527	2,645

6. **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	324,336	259,409
Over provision in prior year	-	(3,046)
Total current tax	324,336	256,363
Deferred tax	51,934	27,406
Tax on profit	376,270	283,769

continued...

6. **TAXATION - continued**

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

	2017	2016
	£	£
Profit before tax	1,142,231	1,366,886
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	228,446	273,377
Effects of:		
Expenses not deductible for tax purposes	17,460	12,354
Income not taxable for tax purposes	(20)	-
Adjustments to tax charge in respect of previous periods	-	(3,046)
Tax at higher rates	-	1,989
Non-qualifying depreciation charge	130,384	(905)
Total tax charge	376,270	283,769

7. **PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The Company's profit for the financial year was £994,035 (2016 - £294,035).

8. **DIVIDENDS**

	2017	2016
	£	£
Ordinary shares of £1 each		
Paid in year	1,000,000	300,000

9. **INTANGIBLE FIXED ASSETS**

Group

	Goodwill
	£
COST	
At 1 February 2016 and 31 January 2017	215,540
AMORTISATION	
At 1 February 2016	118,547
Amortisation for year	43,108
At 31 January 2017	161,655
NET BOOK VALUE	
At 31 January 2017	53,885
At 31 January 2016	96,993

continued...

10. **TANGIBLE FIXED ASSETS**

Group

	Heritable property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 February 2016	296,572	123,148	1,476,118	872,620	2,768,458
Additions	-	6,241	39,860	168,147	214,248
Disposals	-	-	-	(68,481)	(68,481)
At 31 January 2017	296,572	129,389	1,515,978	972,286	2,914,225
DEPRECIATION					
At 1 February 2016	33,097	45,734	945,489	440,167	1,464,487
Charge for year	5,965	81,266	145,182	188,138	420,551
Eliminated on disposal	-	-	-	(59,477)	(59,477)
At 31 January 2017	39,062	127,000	1,090,671	568,828	1,825,561
NET BOOK VALUE					
At 31 January 2017	257,510	2,389	425,307	403,458	1,088,664
At 31 January 2016	263,475	77,414	530,629	432,453	1,303,971

Assets under hire purchase agreements
Included within the net book value is £91,883 (2016 - £121,883) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £30,000 (2016 - £28,117).

Company

	Heritable property £
COST	
At 1 February 2016 and 31 January 2017	274,383
DEPRECIATION	
At 1 February 2016	10,908
Charge for year	5,965
At 31 January 2017	16,873
NET BOOK VALUE	
At 31 January 2017	257,510
At 31 January 2016	263,475

continued...

11. FIXED ASSET INVESTMENTS

Group

	Unlisted investments £
COST	
At 1 February 2016 and 31 January 2017	15,000
NET BOOK VALUE	
At 31 January 2017	15,000
At 31 January 2016	15,000

Company

	Shares in group undertakings £
COST	
At 1 February 2016 and 31 January 2017	100
NET BOOK VALUE	
At 31 January 2017	100
At 31 January 2016	100

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

Subsidiaries

Failte Food Service Limited
Registered office: East Warehouse, Glasgow Fruit Market, Blochairn Road, Glasgow G21 2SW
Nature of business: Sale and distribution of food and soft drinks

Class of shares:	% holding
Ordinary shares	100.00

Failte Produce Limited
Registered office: East Warehouse, Glasgow Fruit Market, Blochairn Road, Glasgow G21 2SW
Nature of business: Fruit and vegetable wholesale

Class of shares:	% holding
Ordinary shares	85.00

Eastwarehouse Limited (sub-subsidiary)
Registered office: Daly Hoggett & Co, 5-11 Mortimer Street, London W1T 3HS
Nature of business: Dormant

Class of shares:	% holding
Ordinary A	100.00
Ordinary B	

All subsidiaries' results are included in the consolidated financial statements and have an accounting reference date of 31 January.

continued...

11. **FIXED ASSET INVESTMENTS - continued**

The Group holds a £15,000 investment in a buying group.

12. **STOCKS**

	Group	
	2017	2016
	£	£
Goods held for resale	692,889	602,557

13. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group	
	2017	2016
	£	£
Trade debtors	863,273	680,153
Directors' current accounts	84,399	-
VAT	-	6,197
Prepayments and accrued income	60,512	88,753
	1,008,184	775,103

14. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group	
	2017	2016
	£	£
Hire purchase contracts (see note 16)	21,038	84,150
Trade creditors	966,555	801,276
Tax	324,336	259,409
Social security and other taxes	33,670	33,840
VAT	82,816	-
Other creditors	17,911	
Accruals and deferred income	313,906	247,072
	1,760,232	1,425,747

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

	Group	
	2017	2016
	£	£
Hire purchase contracts (see note 16)	-	21,038

continued...

16. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2017	**2016**
	£	£
Gross obligations repayable:		
Within one year	21,920	87,677
Between one and five years	-	21,920
	21,920	109,597
Finance charges repayable:		
Within one year	882	3,527
Between one and five years	-	882
	882	4,409
Net obligations repayable:		
Within one year	21,038	84,150
Between one and five years	-	21,038
	21,038	105,188

Group

	Non-cancellable operating leases	
	2017	**2016**
	£	£
Within one year	126,790	126,790
Between one and five years	249,892	382,515
	376,682	509,305

17. **SECURED DEBTS**

The following secured debts are included within creditors:

	Group	
	2017	**2016**
	£	£
Hire purchase contracts	21,038	105,188

Hire purchase liabilities are secured over the assets to which the agreements relate.

18. **PROVISIONS FOR LIABILITIES**

	Group	
	2017	**2016**
	£	£
Deferred tax		
Accelerated capital allowances	167,882	115,948

continued...

18. **PROVISIONS FOR LIABILITIES - continued**

Group

	Deferred tax £
Balance at 1 February 2016	115,948
Credit to Statement of Comprehensive Income during year	51,934
Balance at 31 January 2017	167,882

19. **CALLED UP SHARE CAPITAL**

Allotted, Issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
200	Ordinary	£1	200	200

20. **RESERVES**

Group

	Retained earnings £	Other reserves £	Totals £
At 1 February 2016	3,578,327	9,900	3,588,227
Profit for the year	838,287	-	838,287
Dividends	(1,000,000)	-	(1,000,000)
At 31 January 2017	3,416,614	9,900	3,426,514

Company

	Retained earnings £
At 1 February 2016	263,475
Profit for the year	994,035
Dividends	(1,000,000)
At 31 January 2017	257,510

21. **NON-CONTROLLING INTERESTS**

	Equity £
At 1 February 2016	42,881
Loss on ordinary activities after taxation - minority interest share	(72,326)
At 31 January 2017	(29,445)

continued...

22. CONTINGENT LIABILITIES

HMRC is enquiring into various tax planning strategies set up by a subsidiary company, Failte Food Service Limited, between 2007 and 2008. No provision has been made for any future economic outflows in this matter. It may take several years before the position is finally established and as such there is a possibility, which the directors have assessed as more than remote, that further taxation liabilities will arise. Whilst HMRC has issued PAYE and NIC determinations showing a net tax liability, including potential interest, of approximately £600,000, it is not possible at this stage to predict with any reasonable degree of certainty the likelihood of further sums being payable, the amount of such sums or the date on which they could become payable.

23. RELATED PARTY DISCLOSURES

The Group has taken advantage of exemption, under FRS 102 not to disclose related party transactions with wholly owned subsidiaries within the group.

Other transactions with related parties during the year include:

	2017	2016
	£	£
Value of purchases made from associated company	368,287	527,895
Value of sales made to associated company	-	13,680
Rent charged to associated company	15,000	15,000
Amounts owed from associated company	-	2,280

No further transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

24. POST BALANCE SHEET EVENTS

Subsequent to the Group's year end, on 17 August 2017, there was a fire at the Glasgow Fruit Market. This fire resulted in the destruction of the premises from which Failte Produce Limited operated. Failte Produce Limited is a subsidiary undertaking of Failte Group Limited.

Such an incident is a non-adjusting post balance sheet event as defined by FRS102. This matter is currently being handled by the Group's insurers. The financial impact of the fire and the resultant insurance claim will be reflected in the statutory accounts of Failte Produce Limited and the Group for the year ending 31 January 2018.

25. ULTIMATE CONTROLLING PARTY

The Group was controlled by the directors throughout the current and prior year by virtue of their interest in the share capital of the Group.

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

	2017	2016
	£	£
Profit before taxation	1,142,231	1,366,886
Profit on disposal of fixed assets	(19,179)	(10,695)
Depreciation and amortisation charges	463,659	454,228
Finance costs	3,527	2,645
Finance income	(2,176)	(1,565)
	1,588,062	1,811,499
(Increase)/decrease in stocks	(90,332)	452
(Increase)/decrease in trade and other debtors	(148,682)	6,472
Increase/(decrease) in trade and other creditors	332,670	(40,601)
Cash generated from operations	1,681,718	1,777,822

continued...

27. 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	2,466,761	2,400,417

Year ended 31 January 2016

	31/1/16	1/2/15
	£	£
Cash and cash equivalents	2,400,417	1,415,577

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.