

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017  
FOR  
PAUL MURRAY PLC**

FRIDAY



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**PAUL MURRAY PLC**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>4</b>
<b>Report of the Independent Auditors</b>	<b>6</b>
<b>Statement of Comprehensive Income</b>	<b>8</b>
<b>Statement of Financial Position</b>	<b>9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Statement of Cash Flows</b>	<b>11</b>
<b>Notes to the Statement of Cash Flows</b>	<b>12</b>
<b>Notes to the Financial Statements</b>	<b>13</b>

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**PAUL MURRAY PLC**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**DIRECTORS:**

P T Murray  
K J Murray  
S C Coatham  
M Cox  
T Eastwood  
N B Hayton  
C A Eastwood  
M J Murray  
G L Robertson  
L Hadaway

**SECRETARY:**

S C Coatham

**REGISTERED OFFICE:**

Wide Lane  
Southampton  
Hampshire  
SO18 2FA

**REGISTERED NUMBER:**

01172728 (England and Wales)

**AUDITORS:**

Rothmans Audit LLP  
Chartered Accountants & Statutory Auditors  
Avebury House  
St Peter Street  
Winchester  
Hampshire  
SO23 8BN

**PAUL MURRAY PLC**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors present their strategic report for the year ended 31 December 2017.

**REVIEW OF BUSINESS**

The principal activity of the company continued to be that of a supplier of brands of health, beauty and nursery products to the retail trade in the United Kingdom and Ireland.

In the year the company achieved sales of £15,906,388 (2016: £14,365,694) an increase of 10.7% on the previous year. This increase is due to a combination of factors, including sales to new customers and sales of new products. The total sales including agency sales were £23,032,958 (2016: £21,463,518).

The directors continue to adopt a going concern basis in preparing the financial statements.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The directors will continue to seek to expand the company's product range and customer base to ensure the company remains in a strong position to capitalise on its investment in the business operational framework, to take advantage of market improvements and to withstand any external economic pressures. The impact of Great Britain leaving the European Union on the company's performance is not yet known but the directors will make suitable plans as the implications become more certain.

**KEY PERFORMANCE INDICATORS**

The key financial highlights of the company's activities are:

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Turnover reported in the financial statements	15,906,388	14,365,694	13,990,324	16,325,712	18,109,647
Turnover including agency sales	23,032,958	21,463,518	18,437,451	17,300,023	18,109,647
Gross profit margin	36.5%	39.1%	38.5%	30.9%	30.9%
Profit before tax	987,844	1,139,705	1,147,089	947,357	1,210,043

**OTHER PERFORMANCE INDICATORS**

The company's ongoing strategies are to improve turnover and to protect and increase its share of the market whilst protecting margins. The directors consider that they have achieved this in 2017 and expect that the company will continue to grow in 2018 and future years.

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

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

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

In respect of bank balances the liquidity risk is managed by maintaining a balance between long term loans and the use of overdrafts at floating rates of interest.

Trade debtors are managed, in respect of credit and cash flow risk, by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

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

**PAUL MURRAY PLC**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**POLICY ON THE PAYMENT OF CREDITORS**

Payment is generally made by the company to its creditors in accordance with agreed terms of business. It is the policy of the company that all invoices issued by suppliers are paid within 30 days following the end of the month in which the invoices are received. In the case of certain overseas suppliers, the terms of business with the company are such that payments may be made at an earlier time. The total amount of trade creditors as at 31 December 2017 represents 17 days (2016: 20 days) as a proportion of the amount invoiced by suppliers during the year ended on that date. It is not the company's policy to follow any code or standard on payment practice.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, consisting of a stylized 'P' and 'M' followed by a long horizontal stroke.

P T Murray - Director

25 June 2018

**PAUL MURRAY PLC**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors present their report with the financial statements of the company for the year ended 31 December 2017.

**DIVIDENDS**

During the year dividends of £402,587 (2016: £302,479) were paid by the company. Additionally, the company made a distribution in specie of £1,400,000 (2016: £Nil).

**FUTURE DEVELOPMENTS**

The company has had marked success over the last few years in distributing UK branded goods to its customers. It is expected that there will be further developments in 2018 particularly in the Ireland. Turnover increased significantly in 2017 and the move at the end of the year of the whole undertaking to new purpose built premises will enable further growth in the future. The company continues to increase the distribution of its own brands, which contribute significantly to the company's profitability, and to developing own label brands with customers.

**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 January 2017 to the date of this report.

P T Murray  
K J Murray  
S C Coatham  
M Cox  
T Eastwood  
N B Hayton  
C A Eastwood  
M J Murray  
G L Robertson

Other changes in directors holding office are as follows:

L Hadaway was appointed as a director after 31 December 2017 but prior to the date of this report.

**DISCLOSURE IN THE STRATEGIC REPORT**

In accordance with the Companies Act 2006, s414C(11), information in respect of business activities and risk are shown within the Strategic Report.

**PAUL MURRAY PLC**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**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 company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Rothmans Audit LLP, will be proposed for appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
P T Murray - Director

25 June 2018

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PAUL MURRAY PLC

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### **Opinion**

We have audited the financial statements of Paul Murray Plc (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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 company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

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



## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PAUL MURRAY PLC

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### Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page five, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Our 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 a Report of the Auditors 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 on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

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.

Susan Sullivan FCA (Senior Statutory Auditor)  
for and on behalf of Rothmans Audit LLP  
Chartered Accountants & Statutory Auditors  
Avebury House  
St Peter Street  
Winchester  
Hampshire  
SO23 8BN

Date: 27<sup>th</sup> June 2018

*S A Sullivan FCA*

PAUL MURRAY PLC

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
<b>TURNOVER</b>	3	15,906,388	14,365,694
Cost of sales		<u>10,107,933</u>	<u>8,744,122</u>
<b>GROSS PROFIT</b>		5,798,455	5,621,572
Distribution costs		3,095,427	3,061,745
Administrative expenses		<u>1,805,149</u>	<u>1,485,316</u>
		4,900,576	4,547,061
		897,879	1,074,511
Other operating income		<u>81,388</u>	<u>63,886</u>
<b>OPERATING PROFIT</b>	5	979,267	1,138,397
Interest receivable and similar income	7	<u>14,967</u>	<u>7,823</u>
		994,234	1,146,220
Interest payable and similar expenses	8	<u>6,391</u>	<u>6,515</u>
<b>PROFIT BEFORE TAXATION</b>		987,843	1,139,705
Tax on profit	9	<u>205,262</u>	<u>244,884</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		782,581	894,821
<b>OTHER COMPREHENSIVE INCOME</b>			
Revaluation of tangible fixed assets			
deferred tax movement		-	119,011
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<u>-</u>	<u>119,011</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>782,581</u>	<u>1,013,832</u>

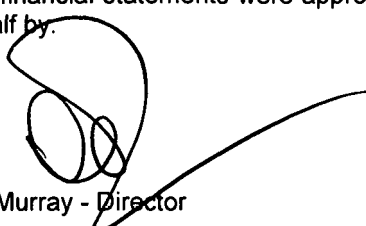
The notes form part of these financial statements

PAUL MURRAY PLC (REGISTERED NUMBER: 01172728)

STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2017

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Intangible assets	11	30,700	69,970
Tangible assets	12	737,632	1,659,550
Investments	13	-	1
		<u>768,332</u>	<u>1,729,521</u>
<b>CURRENT ASSETS</b>			
Stocks	14	3,059,547	3,259,789
Debtors	15	3,537,605	2,513,044
Cash at bank		<u>122,845</u>	<u>349,737</u>
		6,719,997	6,122,570
<b>CREDITORS</b>			
Amounts falling due within one year	16	<u>2,800,082</u>	<u>2,161,252</u>
<b>NET CURRENT ASSETS</b>		<u>3,919,915</u>	<u>3,961,318</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,688,247	5,690,839
<b>PROVISIONS FOR LIABILITIES</b>	21	<u>17,414</u>	-
<b>NET ASSETS</b>		<u>4,670,833</u>	<u>5,690,839</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	100,000	100,000
Revaluation reserve	23	-	671,210
Retained earnings	23	<u>4,570,833</u>	<u>4,919,629</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>4,670,833</u>	<u>5,690,839</u>

The financial statements were approved by the Board of Directors on 25 June 2018 and were signed on its behalf by:

  
P T Murray - Director

The notes form part of these financial statements

PAUL MURRAY PLC

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
<b>Balance at 1 January 2016</b>	100,000	4,327,287	552,199	4,979,486
<b>Changes in equity</b>				
Dividends	-	(302,479)	-	(302,479)
Total comprehensive income	-	894,821	119,011	1,013,832
<b>Balance at 31 December 2016</b>	100,000	4,919,629	671,210	5,690,839
<b>Changes in equity</b>				
Dividends	-	(1,802,587)	-	(1,802,587)
Total comprehensive income	-	782,581		782,581
Transfer	-	671,210	(671,210)	-
<b>Balance at 31 December 2017</b>	100,000	4,570,833	-	4,670,833

The notes form part of these financial statements

PAUL MURRAY PLC

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	794,896	1,237,432
Interest paid		(6,391)	(6,515)
Tax paid		<u>(236,041)</u>	<u>(259,789)</u>
Net cash from operating activities		<u>552,464</u>	<u>971,128</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(658,838)	(126,618)
Sale of tangible fixed assets		16,084	-
Loans to related companies		(400,281)	-
Interest received		<u>14,967</u>	<u>7,823</u>
Net cash from investing activities		<u>(1,028,068)</u>	<u>(118,795)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		-	(339,762)
Equity dividends paid		<u>(402,587)</u>	<u>(302,479)</u>
Net cash from financing activities		<u>(402,587)</u>	<u>(642,241)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(878,191)</u>	<u>210,092</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>349,737</u>	<u>139,645</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>(528,454)</u></u>	<u><u>349,737</u></u>

The notes form part of these financial statements

PAUL MURRAY PLC

NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2017

1. RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS

	2017	2016
	£	£
Profit for the financial year	782,581	894,821
Depreciation charges	178,278	187,439
Loss on disposal of fixed assets	25,664	11,800
Finance costs	6,391	6,515
Finance income	(14,967)	(7,823)
Taxation	<u>205,262</u>	<u>244,884</u>
	1,183,209	1,337,636
Decrease/(increase) in stocks	200,242	(403,776)
Increase in trade and other debtors	(636,843)	(166,288)
Increase in trade and other creditors	<u>48,288</u>	<u>469,860</u>
<b>Cash generated from operations</b>	<u><u>794,896</u></u>	<u><u>1,237,432</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	122,845	349,737
Bank overdrafts	<u>(651,299)</u>	<u>-</u>
	<u><u>(528,454)</u></u>	<u><u>349,737</u></u>

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	349,737	292,459
Bank overdrafts	<u>-</u>	<u>(152,814)</u>
	<u><u>349,737</u></u>	<u><u>139,645</u></u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. STATUTORY INFORMATION**

Paul Murray Plc is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland" ("FRS102") and the requirements of the Companies Act 2006 and under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

**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.

**Significant judgements and estimates**

In the application of the company's accounting policies, the directors are required to make judgements estimates and assumptions about the carrying amount of assets and liability that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The accounting policies requiring the most judgement within the financial statements are those relating to stock valuation and accounting for sales and purchases under agency agreements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both the current and future periods.

**Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers for the sale of non-pharmaceutical products, surgical goods, cosmetics, fragrances, and toiletries in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

In 2014 the company entered into an agreement with a supplier to act as their agent in the supply of their goods. Commission is receivable in respect of sales made and recognised within turnover shown in the profit and loss account. Revenue is recognised at the point of dispatch of the product.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Goodwill**

Goodwill is capitalised and written off evenly over 20 years as in the opinion of the directors, this represents the period over which the goodwill is expected to give rise to economic benefits.

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

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2. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost, being purchase price together with any incidental costs of acquisition, less accumulated depreciation, except for freehold land & buildings which are held at valuation. Depreciation is calculated so as to write off the cost or revaluation of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Freehold property	2% straight line
Tenants improvements	straight line over 15 years
Fixtures and fittings	25% reducing balance and straight line over 3 or 15 years
Equipment	25% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity, such gains and loss are recognised in profit or loss.



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

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2. **ACCOUNTING POLICIES - continued**

**Investments in subsidiaries**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost basis and provision is made for obsolete and slow moving items.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**Cash and cash equivalents**

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

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

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**2. ACCOUNTING POLICIES - continued**

**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 when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amount 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 trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

**Other financial assets**

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

**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 it 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.

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

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2. **ACCOUNTING POLICIES - continued**

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered to. 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 trade and other payables, bank borrowings, loans from fellow group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

**Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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

**Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

**Equity Instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

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

**2. ACCOUNTING POLICIES - continued****Deferred tax**

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessment in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

**Hire purchase and leasing commitments**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year in accordance with the rules of the fund. The assets of the scheme are held separately from these of the company in an independently administered fund.

**Employee benefits**

The costs of employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**3. TURNOVER**

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

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

	2017	2016
	£	£
Sale of goods	14,301,399	12,845,286
Commission receipts	<u>1,604,989</u>	<u>1,520,408</u>
	<u>15,906,388</u>	<u>14,365,694</u>

PAUL MURRAY PLC

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

3. **TURNOVER - continued**

An analysis of turnover by geographical market is given below:

	2017 £	2016 £
United Kingdom	15,159,655	13,802,553
Europe	687,308	553,532
Rest of the World	59,425	9,609
	<u>15,906,388</u>	<u>14,365,694</u>

4. **EMPLOYEES AND DIRECTORS**

	2017 £	2016 £
Wages and salaries	2,608,162	2,577,259
Social security costs	298,882	293,071
Other pension costs	69,894	54,456
	<u>2,976,938</u>	<u>2,924,786</u>

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

	2017	2016
Operations	61	60
Administrative	12	10
Directors	<u>7</u>	<u>7</u>
	<u>80</u>	<u>77</u>

	2017 £	2016 £
Directors' remuneration for qualifying services	642,503	634,115
Directors' pension contributions to money purchase schemes	<u>13,101</u>	<u>10,868</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2017	2016
Money purchase schemes	<u>4</u>	<u>4</u>

Information regarding the highest paid director is as follows:

	2017	2016
Directors' remuneration for qualifying services	<u>171,928</u>	<u>177,777</u>

PAUL MURRAY PLC

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

5. OPERATING PROFIT

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

	2017	2016
	£	£
Other operating leases	333,168	182,609
Depreciation - owned assets	139,009	171,888
Loss on disposal of fixed assets	25,664	11,800
Goodwill amortisation	15,552	15,553
Foreign exchange differences	(81,388)	(63,886)
Cost of stocks recognised as an expense	8,948,734	8,050,956
Operating lease charges	<u>433,999</u>	<u>325,968</u>

6. AUDITORS' REMUNERATION

	2017	2016
	£	£
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	<u>18,000</u>	<u>16,000</u>
Auditors' remuneration for non audit work	<u>5,500</u>	<u>3,550</u>

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2017	2016
	£	£
Other interest income	<u>14,967</u>	<u>7,823</u>

All interest receivable relates to financial assets measured at amortised cost.

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Bank loan interest	<u>6,391</u>	<u>6,515</u>

All interest payable relates to bank loans and overdrafts, which are financial liabilities measured at amortised cost.

9. 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	182,694	243,450
Corporation tax - prior year	<u>(7,409)</u>	<u>-</u>
Total current tax	175,285	243,450
Deferred tax	<u>29,977</u>	<u>1,434</u>
Tax on profit	<u>205,262</u>	<u>244,884</u>

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

**9. 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	<u>987,843</u>	<u>1,139,705</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.250% (2016 - 20%)	190,160	227,941
Effects of:		
Expenses not deductible for tax purposes	31,282	19,845
Income not taxable for tax purposes	(8,500)	-
Adjustments to tax charge in respect of previous periods	(310)	-
Adjust closing deferred tax to average rate	(230)	660
Adjust opening deferred tax to average rate	(165)	(1,755)
Reversal of deferred tax provision on freehold property	-	(1,807)
Utilisation of Group Losses	<u>(6,975)</u>	<u>-</u>
Total tax charge	<u>205,262</u>	<u>244,884</u>

**Tax effects relating to effects of other comprehensive income**

There were no tax effects for the year ended 31 December 2017.

	Gross £	2016 Tax £	Net £
Revaluation of tangible fixed assets			
Deferred tax movement	<u>119,011</u>	<u>-</u>	<u>119,011</u>
	<u>119,011</u>	<u>-</u>	<u>119,011</u>

The main rate of corporation tax in the UK decreased from 20% to 19% with effect from 1 April 2017 hence the standard rate of corporation tax in FY2017 is lower than that in FY2016.

**10. DIVIDENDS**

During the year dividends of £413,135 (2016: £302,479) were paid by the company. Additionally, the company made a distribution in specie of £1,400,000 (2016: £Nil).

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

**11. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 January 2017	311,009
Impairments	<u>(23,718)</u>
At 31 December 2017	<u>287,291</u>
<b>AMORTISATION</b>	
At 1 January 2017	241,039
Amortisation for year	<u>15,552</u>
At 31 December 2017	<u>256,591</u>
<b>NET BOOK VALUE</b>	
At 31 December 2017	<u>30,700</u>
At 31 December 2016	<u>69,970</u>

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Fixtures and fittings £
<b>COST</b>			
At 1 January 2017	1,423,866	-	648,559
Additions	-	271,275	328,968
Disposals	<u>(1,423,866)</u>	<u>-</u>	<u>(479,154)</u>
At 31 December 2017	<u>-</u>	<u>271,275</u>	<u>498,373</u>
<b>DEPRECIATION</b>			
At 1 January 2017	28,458	-	515,528
Charge for year	28,477	-	63,015
Eliminated on disposal	<u>(56,935)</u>	<u>-</u>	<u>(414,132)</u>
At 31 December 2017	<u>-</u>	<u>-</u>	<u>164,411</u>
<b>NET BOOK VALUE</b>			
At 31 December 2017	<u>-</u>	<u>271,275</u>	<u>333,962</u>
At 31 December 2016	<u>1,395,408</u>	<u>-</u>	<u>133,031</u>



PAUL MURRAY PLC

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

12. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2017	215,311	174,037	2,461,773
Additions	-	69,596	669,839
Disposals	<u>(31,500)</u>	<u>(427)</u>	<u>(1,934,947)</u>
At 31 December 2017	<u>183,811</u>	<u>243,206</u>	<u>1,196,665</u>
<b>DEPRECIATION</b>			
At 1 January 2017	115,466	142,771	802,223
Charge for year	23,362	24,155	139,009
Eliminated on disposal	<u>(10,705)</u>	<u>(427)</u>	<u>(482,199)</u>
At 31 December 2017	<u>128,123</u>	<u>166,499</u>	<u>459,033</u>
<b>NET BOOK VALUE</b>			
At 31 December 2017	<u>55,688</u>	<u>76,707</u>	<u>737,632</u>
At 31 December 2016	<u>99,845</u>	<u>31,266</u>	<u>1,659,550</u>

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2017	1
Disposals	<u>(1)</u>
At 31 December 2017	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 December 2017	<u>-</u>
At 31 December 2016	<u>1</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

As at 31 December 2016 the company owned 100% of the issued share capital in Miner's International Limited, a dormant company whose registered office is c/o Paul Murray Plc, Wide Lane, Southampton, England, SO18 2FA. Miner's International had aggregate capital and reserves of £1 as at 31 December 2016.

On 31 August 2017 Paul Murray PLC disposed of its holding in Miner's International Limited and at 31 December 2017 the company had no investments in subsidiaries.

PAUL MURRAY PLC

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

14. **STOCKS**

	2017	2016
	£	£
Finished goods	<u>3,059,547</u>	<u>3,259,789</u>

The total value of stock written off in the year is £60,752 (2016: £16,682).

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

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

	2017	2016
	£	£
Trade debtors	2,499,754	1,868,788
Amounts owed by group undertakings	119,806	-
Amounts owed by participating interests	280,475	-
Other debtors	404,511	364,544
Deferred tax asset	-	12,563
Prepayments and accrued income	<u>233,059</u>	<u>267,149</u>
	<u>3,537,605</u>	<u>2,513,044</u>

The total value of debtors written off in the year is £28,930 (2016: £3,598).

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

	2017	2016
	£	£
Bank loans and overdrafts (see note 17)	651,299	-
Trade creditors	1,021,640	1,183,507
Amounts owed to group undertakings	-	1
Corporation tax	182,694	243,450
Social security and other taxes	92,390	95,202
VAT	138,928	128,266
Accruals and deferred income	<u>713,131</u>	<u>510,826</u>
	<u>2,800,082</u>	<u>2,161,252</u>

17. **LOANS**

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>651,299</u>	<u>-</u>

PAUL MURRAY PLC

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

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	731,709	365,566
Between one and five years	2,021,057	1,787,962
In more than five years	<u>4,273,065</u>	<u>4,241,125</u>
	<u>7,025,831</u>	<u>6,394,653</u>

19. SECURED DEBTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank overdraft	<u>651,299</u>	<u>-</u>

The bank overdrafts of Paul Murray PLC and its parent company, Metro Gold Limited, are secured by a cross-guarantee and debenture provided jointly by Paul Murray PLC and Metro Gold Limited which includes a fixed and floating charge over all of the assets of each company. As at 31 December 2017 Metro Gold Limited had no secured debts in respect of this guarantee.

20. FINANCIAL INSTRUMENTS

The financial statements include the following financial instruments:

Financial Assets measured at amortised cost

	2017	2016
	£	£
Trade Debtors	2,499,754	1,868,788
Cash at Bank & Hand	122,845	349,737
Loan to Albemarle Properties	404,511	364,544
Loans to Group Undertakings	<u>400,281</u>	<u>-</u>
	<u>3,427,391</u>	<u>2,583,069</u>

Financial Liabilities measured at amortised cost

	2017	2016
	£	£
Bank Loans and Overdrafts	651,299	-
Trade Creditors	<u>1,021,640</u>	<u>1,183,507</u>
	<u>1,672,939</u>	<u>1,183,507</u>

PAUL MURRAY PLC

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

21. PROVISIONS FOR LIABILITIES

	2017 £	
Deferred tax	<u>17,414</u>	
		Deferred tax £
Balance at 1 January 2017		(12,563)
Charge to Statement of Comprehensive Income during year		<u>29,977</u>
Balance at 31 December 2017		<u>17,414</u>

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (including offsets) for financial reporting purposes.

	2017 £	2016 £
Accelerated capital allowances	30,965	2,577
Short-term timing differences	<u>(13,551)</u>	<u>(15,140)</u>
	<u>17,414</u>	<u>(12,563)</u>

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2017	2016
Number:	Class:	Nominal value:	£	£
90,000	Ordinary A	£1	90,000	49,538
10,000	Ordinary B	£1	10,000	18,500
NIL	Ordinary C	£1	-	<u>31,962</u>
			<u>100,000</u>	<u>100,000</u>

Each share is entitled to one vote in any circumstance. All classes of shares rank equally on a winding up of the company. Dividends on each class of share are voted separately. If any share of the A or B class is sold or ownership transferred, the share becomes a C ordinary share.

On 31 August 2017 the company reclassified 8,500 B Ordinary shares and 31,962 C Ordinary shares as 40,462 A Ordinary shares.

PAUL MURRAY PLC

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

23. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2017	4,919,629	671,210	5,590,839
Profit for the year	782,581		782,581
Dividends	(1,802,587)		(1,802,587)
Transfers	671,210	(671,210)	-
At 31 December 2017	<u>4,570,833</u>	<u>-</u>	<u>4,570,833</u>

24. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £69,894 (2016: £54,456).

Contributions of £7,068 (2016: £9,803) were outstanding at the year end and are included within accruals.

25. ULTIMATE PARENT COMPANY

Metro Gold Limited is regarded by the directors as being the company's ultimate parent company.

Metro Gold Limited is the parent of the largest and smallest group for which group accounts are drawn up and of which the company is a member. Copies of the Group accounts can be obtained from Paul Murray PLC, Wide Lane, Southampton, England, SO18 2FA.

26. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

Dividends paid to the company's directors amounted to £261,796 (2016: £302,479).

27. RELATED PARTY DISCLOSURES

Entities with control, joint control or significant influence over the entity

	2017 £	2016 £
Amount due from Metro Gold Limited	<u>119,446</u>	<u>-</u>

Metro Gold Limited is the parent company of Paul Murray PLC. During the year Paul Murray PLC paid expenses on behalf of Metro Gold Limited which totalled £119,446. The outstanding balance at the year end was £119,446 and is included in amounts owed by group undertakings. This loan is interest free and repayable on demand.

During the year dividends of £140,791 were paid to Metro Gold Limited.

Entities over which the entity has control, joint control or significant influence

	2017 £	2016 £
Amount due to Miner's International Limited	<u>-</u>	<u>1</u>

PAUL MURRAY PLC

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

27. RELATED PARTY DISCLOSURES - continued

The company had control over Miner's International Limited until 31 August 2017 when it disposed of its investment.

**Other related parties**

	2017	2016
	£	£
Amount due from Albemarle Properties Development Limited	404,511	364,544
Amount due from Newbarn Compton Limited	280,475	-
Amount due from Miner's International Limited	<u>360</u>	<u>-</u>

Albemarle Properties Development Limited is a company under the control of the directors P Murray and M Murray. During the year advances of £25,000 (2016: £360,000) were made to Albemarle Properties Development Limited and repayments of £Nil (2016: £228,279) were received from Albemarle Properties Development Limited. Interest of £14,967 (2016: £7,823) was due in respect of these loans. The outstanding loan balance at the year end was £404,511 (2016: £364,544) and is included in other debtors.

Newbarn Compton Limited holds 10% of the issued share capital in Paul Murray PLC. During the year Paul Murray PLC paid expenses on behalf of Newbarn Compton Limited which totalled £475. On 31 August 2017 the company transferred a property valued at £1,400,000 to Newbarn Compton by way of a distribution in specie and as at 31 December 2017 it was owed £280,000 by Newbarn Compton Limited in respect of the VAT of this transaction. The outstanding balance at the year end was £280,475 and is included in amounts owed by group undertakings. This balance is interest free and repayable on demand.

Miner's International Limited is a Group company under common control. During the year Paul Murray PLC paid expenses on behalf of Miner's International Limited which totalled £360. The outstanding balance at the year end was £360 and is included in amounts owed by group undertakings. This balance is interest free and repayable on demand.

The remuneration of key management personnel, who are also directors, is as follows:

	2017	2016
	£	£
Aggregate compensation	<u>719,516</u>	<u>711,353</u>

28. POST BALANCE SHEET EVENTS

Since the year-end the company has declared dividends of £527,058.

29. ULTIMATE CONTROLLING PARTY

The company is ultimately controlled by M J Murray, C A Eastwood and G L Robertson, directors of the company, by virtue of their majority shareholdings in the parent company, Metro Gold Limited.