

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

COMPANY INFORMATION

Directors	D C Sutton N R Sutton C D Sutton
Company number	02197844
Registered office	Nene Lodge Funthams Lane Whittlesey Peterborough PE7 2PB
Auditor	Moore Stephens Rutland House Minerva Business Park Lynch Wood Peterborough PE2 6PZ

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 7
Profit and loss account	8 - 9
Statement of comprehensive income	10
Group balance sheet	11 - 12
Company balance sheet	13
Group statement of changes in equity	14
Company statement of changes in equity	15
Group statement of cash flows	16 - 17
Notes to the financial statements	18 - 44

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

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

Fair review of the business

The Group has performed well during the year and the Directors are pleased to report a pre-tax profit of £7,753,912 which includes the disposal of a portion of its renewable energy assets.

The Directors are pleased to report that despite the disposal of the renewable energy assets the Group has been able to maintain its level of trading activity in the year.

The Group has continued with its trading activity in the commercial and residential property markets during the year which has enhanced the Group's reported profits and additionally has been able to secure well located real estate in both markets which have been added to the property portfolio to secure a long term pipeline for future projects.

The Group have continued to monitor the renewable energy markets and although the reduction in the government subsidy levels has decreased activity we are looking at sites and projects to supplement the assets held by the Group and will undertake further investment where the return on the project is aligned with the Group's strategy.

We have seen significant increases in the facilitation of residential property deals during the year which utilises the Groups internal knowledge and experience in the markets and we have a number of on-going projects at the year end that will provide future positive trading performance.

With the levels of progress achieved and realisation proceeds we consider the Group is in excellent shape to progress forward with our plans and further develop our core trading operations.

Principal risks and uncertainties

The directors consider that the main risks to the Group's financial stability and continued successful performance relate to the economic conditions and government policy.

The Group will be potentially exposed to increases in the bank base rate; however this is mitigated by the Group taking out fixed rate deals on a portion of its financing and the internal strategy to reduce levels of debt in the Group.

The Group also retains interests in the agricultural sector and weather conditions will always impact on yields and quality of goods and ultimately the prices achieved in the market. Price competition between supermarkets may be good for the consumer; however, producers and traders will always suffer in such circumstances.

Overall most of the risks and uncertainties are beyond the control of the directors and they maintain, as far as possible, alternative solutions to minimise such risks and uncertainties.

The Group will be potentially exposed to the impact of any Brexit deal on the property sector; however this exposure is mitigated by them having a mixed portfolio of both commercial and residential properties both in the rental and trading markets thus diversifying the risk.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

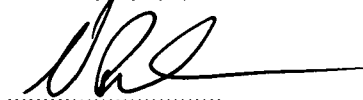
STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Key performance indicators

The directors do not, as such, rely or manage the Group with the benefit of Key Performance Indicators. The directors have business plans for each sector of the business which encompasses principal budgets of activity and cost management and thereby use such plans to monitor and assess the performance and achievement of each component of the Group's activity. It is also clear some of the Group activity is seasonal and thereby to some degree forward markets exist to give the directors a guide as to expectations and if appropriate to actually forward contract to protect a margin or profit which then almost removes the management performance issue. It should also be noted that each activity is managed by experienced individuals who report frequently to the directors with regards to the operating performance of each activity and such information is then validated by the Group's own internal finance function. As such the directors consider the systems in place and the overall active management process provide sufficient performance indicators to appropriately manage the overall activities of the Group as a whole as well as its parts.

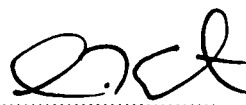
On behalf of the board



N R Sutton

Director

17/9/18



C D Sutton

Director

17/9/18

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their annual report and financial statements for the year ended 31 December 2017.

Principal activities

The principal activity of the group during the year was that of management and development of property and renewable energy projects.

There has not been any significant change in this activity during the year.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D C Sutton
N R Sutton
C D Sutton

Results and dividends

The results for the year are set out on pages 8 to 9.

Ordinary dividends were paid amounting to £111,731. The directors do not recommend payment of a further dividend.

Future developments

Although the government support for the renewable energy sector has been reduced the Group will investment in further assets if the project fits with its strategic return profile.

The Group's trading activities in the agricultural and logistics sector continue to provide a steady income stream and this will continue in the future with fully assessed areas of growth being identified.

The Group's holiday property portfolio has continued to provide consistent activity levels and returns with properties showing near full occupancy. The directors consider that the success of the property let business is a result of the UK holiday market being boosted and the high level of accommodation standards that are offered, which is evidenced by the number of repeat customers. The directors will seek to maintain these service levels but have no plans to further expand the portfolio of properties in the short term.

The Group's future activity in the residential and commercial property markets will encompass the identification of development opportunities which will result in the disposal of planning consented sites or the Group will undertake and build out the projects for future disposal or short term investment return.

Further property activity will be undertaken in the provision of facilitation services to land owners to develop sites for planning.

Auditor

The auditor, Moore Stephens, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 group and company, 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;
- state whether applicable UK 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 group and company will continue in business.

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



N R Sutton

Director

Date: 17/9/18



C D Sutton

Director

Date: 17/9/18

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

Opinion

We have audited the financial statements of The Abbey Group Cambridgeshire Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2017 which comprise the Group Profit And Loss Account, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows, the Company Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

Opinions on other matters 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

Use of our report

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

Mohamedraza Mavani FCA (Senior Statutory Auditor)
for and on behalf of Moore Stephens

21, 9, 18

Chartered Accountants
Statutory Auditor

Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Continuing operations £	Discontinued operations £	31 December 2017 £	Continuing operations £	Discontinued operations £	31 December 2016 £
Turnover	3	11,982,538	329,130	12,311,668	11,279,867	591,532	11,871,399
Cost of sales		(9,312,524)	-	(9,312,524)	(9,923,081)	-	(9,923,081)
Gross profit		2,670,014	329,130	2,999,144	1,356,786	591,532	1,948,318
Administrative expenses		(2,817,920)	(210,946)	(3,028,866)	(2,520,195)	(409,663)	(2,929,858)
Other operating income		1,536,217	-	1,536,217	1,661,876	-	1,661,876
Exceptional item	4	126,000	-	126,000	-	-	-
Operating profit	5	1,514,311	118,184	1,632,495	498,467	181,869	680,336
Share of results of associates and joint ventures		805	56,343	57,148	357,111	66,233	423,344
Interest receivable and similar income	9	13,186	-	13,186	38	-	38
Interest payable and similar expenses	10	(538,540)	(132,150)	(670,690)	(510,920)	(144,843)	(655,763)
Amounts written off investments		(8,920)	-	(8,920)	(80,266)	-	(80,266)
Profit/(loss) on disposal of operations		-	-	-	-	-	-
- Disposal of renewable energy operations		-	6,731,893	6,731,893	-	-	-
Profit before taxation		980,842	6,774,270	7,755,112	264,430	103,259	367,689
Tax on profit	11	(163,057)	-	(163,057)	140,726	(21,215)	119,511
Profit for the financial year		817,785	6,774,270	7,592,055	405,156	82,044	487,200

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Continuing operations £	Discontinued operations £	31 December 2017 £	Continuing operations £	Discontinued operations £	31 December 2016 £
Profit for the financial year is attributable to:							
- Owners of the parent company				7,605,081			482,126
- Non-controlling interests				(13,026)			5,074
				<u>7,592,055</u>			<u>487,200</u>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Profit for the year	7,592,055	487,200
Other comprehensive income		
Currency translation differences	(73,449)	143,077
	<hr/>	<hr/>
Total comprehensive income for the year	7,518,606	630,277
	<hr/>	<hr/>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	7,531,632	625,203
- Non-controlling interests	(13,026)	5,074
	<hr/>	<hr/>
	7,518,606	630,277
	<hr/>	<hr/>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Goodwill	14	451,813		656,497	
Tangible assets	15	15,012,502		15,737,667	
Investment properties	16	12,015,617		10,819,336	
Investments	17	12,586		712,408	
		<u>27,492,518</u>		<u>27,925,908</u>	
Current assets					
Stocks	21	5,804,224		1,591,755	
Debtors	22	3,813,769		6,769,044	
Investments	23	12,318		21,238	
Cash at bank and in hand		6,083,576		658,746	
		<u>15,713,887</u>		<u>9,040,783</u>	
Creditors: amounts falling due within one year	24	<u>(5,950,437)</u>		<u>(6,791,941)</u>	
Net current assets		<u>9,763,450</u>		<u>2,248,842</u>	
Total assets less current liabilities		<u>37,255,968</u>		<u>30,174,750</u>	
Creditors: amounts falling due after more than one year	25	(13,463,994)		(13,683,778)	
Provisions for liabilities	28	(496,760)		(602,633)	
Net assets		<u>23,295,214</u>		<u>15,888,339</u>	
Capital and reserves					
Called up share capital	30	11,200		11,200	
Revaluation reserve		1,433,234		1,433,234	
Profit and loss reserves		20,949,338		13,519,437	
Equity attributable to owners of the parent company		<u>22,393,772</u>		<u>14,963,871</u>	
Non-controlling interests		901,442		924,468	
		<u>23,295,214</u>		<u>15,888,339</u>	

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

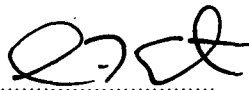
GROUP BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2017

The financial statements were approved by the board of directors and authorised for issue on 17/9/18 and are signed on its behalf by:



N R Sutton
Director



C D Sutton
Director

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

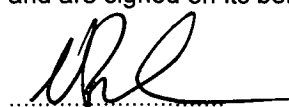
COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2017

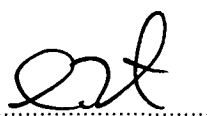
	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	15	7,288,278		6,170,574	
Investment properties	16	11,846,332		10,650,051	
Investments	17	1,295,038		1,295,080	
		<u>20,429,648</u>		<u>18,115,705</u>	
Current assets					
Stocks	21	1,191,602		424,658	
Debtors	22	912,563		6,583,735	
Investments	23	12,318		21,238	
Cash at bank and in hand		3,279,758		429,716	
		<u>5,396,241</u>		<u>7,459,347</u>	
Creditors: amounts falling due within one year	24	(2,924,031)		(3,845,253)	
Net current assets		<u>2,472,210</u>		<u>3,614,094</u>	
Total assets less current liabilities		<u>22,901,858</u>		<u>21,729,799</u>	
Creditors: amounts falling due after more than one year	25	(11,591,936)		(10,831,319)	
Provisions for liabilities	28	(348,617)		(454,850)	
Net assets		<u>10,961,305</u>		<u>10,443,630</u>	
Capital and reserves					
Called up share capital	30	11,200		11,200	
Revaluation reserve		1,433,234		1,433,234	
Profit and loss reserves		9,516,871		8,999,196	
Total equity		<u>10,961,305</u>		<u>10,443,630</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £619,406 (2016 - £569,904 profit).

The financial statements were approved by the board of directors and authorised for issue on 17/1/18 and are signed on its behalf by:



N R Sutton
Director



C D Sutton
Director

Company Registration No. 02197844

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

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

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
Balance at 1 January 2016		11,200	1,433,234	12,899,034	14,343,468	919,712	15,263,180
Year ended 31 December 2016:							
Profit for the year		-	-	482,126	482,126	5,074	487,200
Other comprehensive income:							
Currency translation differences		-	-	143,077	143,077	-	143,077
Total comprehensive income for the year		-	-	625,203	625,203	5,074	630,277
Dividends	13	-	-	(4,800)	(4,800)	-	(4,800)
Other movements		-	-	-	-	(318)	(318)
Balance at 31 December 2016		11,200	1,433,234	13,519,437	14,963,871	924,468	15,888,339
Year ended 31 December 2017:							
Profit for the year		-	-	7,605,081	7,605,081	(13,026)	7,592,055
Other comprehensive income:							
Currency translation differences on overseas subsidiaries		-	-	(73,449)	(73,449)	-	(73,449)
Total comprehensive income for the year		-	-	7,531,632	7,531,632	(13,026)	7,518,606
Dividends	13	-	-	(101,731)	(101,731)	(10,000)	(111,731)
Balance at 31 December 2017		11,200	1,433,234	20,949,338	22,393,772	901,442	23,295,214

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 January 2016		11,200	1,433,234	8,434,092	9,878,526
Year ended 31 December 2016:					
Profit and total comprehensive income for the year		-	-	569,904	569,904
Dividends	13	-	-	(4,800)	(4,800)
Balance at 31 December 2016		11,200	1,433,234	8,999,196	10,443,630
Year ended 31 December 2017:					
Profit and total comprehensive income for the year		-	-	619,406	619,406
Dividends	13	-	-	(101,731)	(101,731)
Balance at 31 December 2017		11,200	1,433,234	9,516,871	10,961,305

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	35		(7,835)		136,580
Interest paid			(670,690)		(655,763)
Income taxes paid			(78,141)		(59,923)
Net cash outflow from operating activities			(756,666)		(579,106)
Investing activities					
Proceeds of disposal of business		10,028,958		-	
Purchase of tangible fixed assets		(4,392,690)		(2,990,891)	
Proceeds on disposal of tangible fixed assets		3,071,419		1,466,066	
Purchase of investment property		(2,213,532)		(1,017,250)	
Proceeds on disposal of investment property		-		416,238	
Purchase of associates		-		(88,305)	
Proceeds on disposal of associates		-		480,000	
Other investments and loans made		-		(379,242)	
Proceeds from other investments and loans		185,673		-	
Interest received		13,178		30	
Dividends received		8		8	
Net cash generated from/(used in) investing activities			6,693,014		(2,113,346)
Financing activities					
Proceeds from issue of shares		-		470	
Proceeds from borrowings		137,251		600,000	
Repayment of borrowings		(887,317)		(331,029)	
Proceeds of new bank loans		4,303,785		10,176,387	
Repayment of bank loans		(3,606,721)		(7,072,689)	
Payment of finance leases obligations		(30,822)		(1,013,258)	
Dividends paid to equity shareholders		(101,731)		(4,800)	
Dividends paid to non-controlling interests		(10,000)		-	
Net cash (used in)/generated from financing activities			(195,555)		2,355,081
Net increase/(decrease) in cash and cash equivalents			5,740,793		(337,371)
Cash and cash equivalents at beginning of year			(19,457)		174,837
Effect of foreign exchange rates			(73,449)		143,077
Cash and cash equivalents at end of year			5,647,887		(19,457)

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

GROUP STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Relating to:					
Cash at bank and in hand		6,083,576		658,746	
Bank overdrafts included in creditors payable within one year		(435,689)		(678,203)	
		<u> </u>		<u> </u>	

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

The Abbey Group Cambridgeshire Limited ("the company") is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB.

The group consists of The Abbey Group Cambridgeshire Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of The Abbey Group Cambridgeshire Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2017. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

1.3 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.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Income from sale of goods is recognised when the contract to supply goods has been fulfilled.

Income from road transport services is recognised in the period the goods are transported.

Rental income is recognised on a straight line basis over the period of the lease.

Income from electricity generation is recognised in the period the electricity is generated.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is between 10 and 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years straight line (excluding land)
Short leasehold land and buildings	20 years straight line
Plant and equipment	7 to 15 years straight line
Fixtures and fittings	3 to 10 years straight line
Motor vehicles	3 to 4 years straight line

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 recognised in the profit and loss account.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.9 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

1.11 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and 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.

1.12 Financial instruments

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

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

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

Basic financial assets

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

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal 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 the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities, including creditors, bank loans, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group 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 group.

1.14 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.16 Employee benefits

The costs of short-term 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.

1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities 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 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 the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Development expenditure

Costs incurred in developing renewable energy projects are capitalised if the project is likely to be successful and it is probable that future economic benefit will be generated by the project. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets and the expected period of benefits.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Revaluation of investment properties

The Group carries its investment property at fair value, with changes in fair value being recognised in profit or loss.

Goodwill and intangible assets

The Group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business and the expected usual life of the cash generating units to which the goodwill is attributed.

3 Turnover and other revenue

An analysis of the Group's turnover is as follows:

	2017 £	2016 £
Turnover analysed by class of business		
Property and renewable energy projects	3,203,130	2,026,464
Produce merchants	6,762,181	7,505,392
Logistics	2,346,357	2,339,543
	<hr/>	<hr/>
	12,311,668	11,871,399
	<hr/>	<hr/>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

3 Turnover and other revenue (Continued)

	2017	2016
	£	£
Other significant revenue		
Interest income	13,178	30
Dividends received	8	8
	<u> </u>	<u> </u>

4 Exceptional costs/(income)

	2017	2016
	£	£
Accrual reversal	(126,000)	-
	<u> </u>	<u> </u>

During the year the group reversed an accrual for business rates that was no longer required as the property had fallen outside the period for which rates could be charged.

5 Operating profit

	2017	2016
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	4,731	(99,383)
Depreciation of owned tangible fixed assets	526,531	567,196
Depreciation of tangible fixed assets held under finance leases	39,274	39,749
(Profit)/loss on disposal of tangible fixed assets	-	19,702
Amortisation of intangible assets	61,488	67,639
Loss on disposal of intangible assets	45,775	-
Cost of stocks recognised as an expense	9,043,009	9,620,423
Operating lease charges	123,744	175,004
	<u> </u>	<u> </u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £4,731 (2016 - £99,383).

6 Auditor's remuneration

	2017	2016
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	14,796	13,000
Audit of the financial statements of the company's subsidiaries	32,950	28,920
	<u> </u>	<u> </u>
	47,746	41,920
	<u> </u>	<u> </u>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

7 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
Management	3	3	1	1
Sales	4	7	-	-
Administration	13	14	7	7
	<u>20</u>	<u>24</u>	<u>8</u>	<u>8</u>

Their aggregate remuneration comprised:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Wages and salaries	822,968	797,993	333,077	252,527
Social security costs	71,750	75,574	29,290	27,172
Pension costs	145,997	49,494	35,326	12,000
	<u>1,040,715</u>	<u>923,061</u>	<u>397,693</u>	<u>291,699</u>

8 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	195,269	186,477
Company pension contributions to defined contribution schemes	124,000	12,000
	<u>319,269</u>	<u>198,477</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2016: 2).

9 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Interest on bank deposits	13,178	30
Other income from investments		
Dividends received	8	8
Total income	<u>13,186</u>	<u>38</u>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Interest receivable and similar income (Continued)

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	13,178	30
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10 Interest payable and similar expenses

	2017 £	2016 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	150,024	159,975
Interest on finance leases and hire purchase contracts	4,005	6,550
Other interest on financial liabilities	516,661	489,238
	<u>670,690</u>	<u>655,763</u>

11 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	222,471	19,295
Adjustments in respect of prior periods	(332)	27,057
	<u>222,139</u>	<u>46,352</u>
Deferred tax		
Origination and reversal of timing differences	(59,082)	(165,863)
	<u>(59,082)</u>	<u>(165,863)</u>
Total tax charge/(credit) for the year	<u>163,057</u>	<u>(119,511)</u>

Of the charge to current tax in relation to discontinued operations, £0 relates to tax on profits and £0 arose on disposal.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

11 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	7,755,112	367,689
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	1,492,859	73,538
Tax effect of expenses that are not deductible in determining taxable profit	30,777	74,973
Tax effect of income not taxable in determining taxable profit	(8,255)	(84,672)
Gains not taxable	(1,295,882)	-
Unutilised tax losses carried forward	27,412	-
Adjustments in respect of prior years	(332)	27,058
Effect of change in corporation tax rate	(27,169)	-
Group relief	(9,485)	-
Depreciation on assets not qualifying for tax allowances	38,243	46,402
Other permanent differences	(8,376)	(24,571)
Deferred tax adjustments in respect of prior years	(600)	3,467
Disposal proceeds different for tax purposes	-	(169,672)
Indexation of revaluation gain	(76,135)	(66,034)
Taxation charge/(credit) for the year	163,057	(119,511)

12 Discontinued operations

Disposal of renewable energy operations

During the year the company entered into a sale agreement to dispose of a number of renewable energy operations. The disposal was effected in order to generate cash flow for the expansion of the company's other businesses. The sale was completed during October 2017.

A profit of £6,731,893 arose on the disposal, being the proceeds of the sale, less the carrying amount of the business assets and attributable goodwill.

13 Dividends

	2017 £	2016 £
Interim paid	101,731	4,800

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

14 Intangible fixed assets

Group	Goodwill	Negative goodwill	Total
	£	£	£
Cost			
At 1 January 2017	1,054,212	(1,446,121)	(391,909)
Additions - separately acquired	257,150	-	257,150
Disposals	(571,923)	-	(571,923)
	<u>739,439</u>	<u>(1,446,121)</u>	<u>(706,682)</u>
At 31 December 2017	739,439	(1,446,121)	(706,682)
Amortisation and impairment			
At 1 January 2017	397,715	(1,446,121)	(1,048,406)
Amortisation charged for the year	61,488	-	61,488
Disposals	(171,577)	-	(171,577)
	<u>287,626</u>	<u>(1,446,121)</u>	<u>(1,158,495)</u>
At 31 December 2017	287,626	(1,446,121)	(1,158,495)
Carrying amount			
At 31 December 2017	<u>451,813</u>	<u>-</u>	<u>451,813</u>
At 31 December 2016	<u>656,497</u>	<u>-</u>	<u>656,497</u>

The company had no intangible fixed assets at 31 December 2017 or 31 December 2016.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

15 Tangible fixed assets

Group	Freehold land and buildings	Short leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2017	12,540,028	61,465	6,677,835	215,756	246,199	19,741,283
Additions	3,586,732	-	739,580	66,378	-	4,392,690
Disposals	(74,762)	(61,465)	(2,832,052)	(42,869)	-	(3,011,148)
Transfers	(3,002,479)	-	-	-	-	(3,002,479)
Transfer from investment property	1,017,250	-	-	-	-	1,017,250
At 31 December 2017	14,066,769	-	4,585,363	239,265	246,199	19,137,596
Depreciation and impairment						
At 1 January 2017	1,714,983	12,443	1,944,961	182,754	148,475	4,003,616
Depreciation charged in the year	229,374	-	258,063	24,717	53,651	565,805
Eliminated in respect of disposals	-	(12,443)	(373,362)	(42,868)	-	(428,673)
Transfers	(15,654)	-	-	-	-	(15,654)
At 31 December 2017	1,928,703	-	1,829,662	164,603	202,126	4,125,094
Carrying amount						
At 31 December 2017	12,138,066	-	2,755,701	74,662	44,073	15,012,502
At 31 December 2016	10,825,045	49,022	4,732,874	33,002	97,724	15,737,667

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

Company	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2017	6,573,209	2,116,776	79,505	64,061	8,833,551
Additions	321,753	31,222	64,705	-	417,680
Transfer from investment property	1,017,250	-	-	-	1,017,250
At 31 December 2017	7,912,212	2,147,998	144,210	64,061	10,268,481
Depreciation and impairment					
At 1 January 2017	1,275,007	1,293,255	61,814	32,900	2,662,976
Depreciation charged in the year	141,638	135,295	18,942	21,352	317,227
At 31 December 2017	1,416,645	1,428,550	80,756	54,252	2,980,203
Carrying amount					
At 31 December 2017	6,495,567	719,448	63,454	9,809	7,288,278
At 31 December 2016	5,298,201	823,521	17,691	31,161	6,170,574

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2017 £	2016 £	Company 2017 £	2016 £
Motor vehicles	32,737	70,170	9,809	19,621
Depreciation charge for the year in respect of leased assets	39,274	39,749	9,812	9,812

Land and buildings with a carrying amount of £5,166,734 were revalued in 1998 by the directors after they had taken independent professional advice, on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties. Transitional provisions are being followed and the valuation has not been updated.

If revalued assets were stated on an historical cost, the total amounts included would have been as follows:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Cost	5,139,975	5,139,975	5,139,975	5,139,975
Accumulated depreciation	(1,028,000)	(925,200)	(1,028,000)	(925,200)
Carrying value	4,111,975	4,214,775	4,111,975	4,214,775

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

15 Tangible fixed assets

(Continued)

The revaluation surplus of £1,433,234 is undistributable.

Freehold land and buildings with a carrying amount of £4,084,899 (2016 - £1,879,043) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

16 Investment property

	Group 2017 £	Company 2017 £
Fair value		
At 1 January 2017	10,819,335	10,650,050
Additions through external acquisition	2,213,532	2,213,532
Transfers to owner-occupied property	(1,017,250)	(1,017,250)
At 31 December 2017	<u>12,015,617</u>	<u>11,846,332</u>

Investment property comprises commercial and residential properties owned by the group. The fair value of the investment property has been arrived at on the basis of a valuation carried out by C D Sutton and N R Sutton who are directors of the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

17 Fixed asset investments

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Investments in subsidiaries	18	-	-	1,289,410	1,289,410
Investments in associates	19	7,008	706,830	50	92
Unlisted investments		5,578	5,578	5,578	5,578
		<u>12,586</u>	<u>712,408</u>	<u>1,295,038</u>	<u>1,295,080</u>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

17 Fixed asset investments

(Continued)

Movements in fixed asset investments Group

	Shares in group undertakings and participating interests £	Other investments other than loans £	Total £
Cost or valuation			
At 1 January 2017	811,731	5,578	817,309
Additions	57,148	-	57,148
Disposals	(861,871)	-	(861,871)
At 31 December 2017	7,008	5,578	12,586
Impairment			
At 1 January 2017	104,901	-	104,901
Disposals	(104,901)	-	(104,901)
At 31 December 2017	-	-	-
Carrying amount			
At 31 December 2017	7,008	5,578	12,586
At 31 December 2016	706,830	5,578	712,408

Movements in fixed asset investments Company

	Shares in group undertakings and participating interests £	Other investments other than loans £	Total £
Cost or valuation			
At 1 January 2017	1,289,502	5,578	1,295,080
Disposals	(42)	-	(42)
At 31 December 2017	1,289,460	5,578	1,295,038
Carrying amount			
At 31 December 2017	1,289,460	5,578	1,295,038
At 31 December 2016	1,289,502	5,578	1,295,080

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

18 Subsidiaries

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Abbey Ecosse Limited	Balmore House, Forss Business and Technology Park, Forss by Thurso, Caithness, KW14 7UZ	Commercial property rental	Ordinary shares	100.00	
Abbey Logistics Cambridgeshire Limited	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Provision of road transport services	Ordinary 'A' shares	51.00	
Abbey Produce Ltd	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Produce merchants	Ordinary shares	100.00	
Abbey Properties Cambridgeshire Limited	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Management and development of property and renewable energy projects	Ordinary 'A' shares	100.00	
Forss Management Limited	Balmore House, Forss Business and Technology Park, Forss by Thurso, Caithness, KW14 7UZ	Property management	Ordinary shares		100.00
ILI (Yonderton) Limited	110 Queen Street, Glasgow, G1 3BX	Renewable energy generation	Ordinary shares		100.00
North Fen Solar Energy Limited	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Development of renewable energy projects	Ordinary shares		100.00
Skibo Portet SL	Spain	Property letting	Ordinary shares	50.00	
Horizon House Cambourne Limited	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Property letting	Ordinary shares		100.00

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

19 Associates

Details of associates at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Four Churches Limited	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Property development	Ordinary shares	50.00	
SR Wind	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Development of renewable energy projects	Ordinary shares		50.00
SPV (St. Ives) Limited	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Property development	Ordinary shares		50.00
North & South Energy Limited	Nene Lodge, Funthams Lane, Whittlesey, Peterborough, PE7 2PB	Dormant	X Ordinary shares		50.00
					33.33

20 Financial instruments

	Group 2017 £	2016 £	Company 2017 £	2016 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	3,244,365	6,031,977	712,140	6,368,887
Equity instruments measured at cost less impairment	5,578	5,578	1,295,038	1,295,080
Instruments measured at fair value through profit or loss	12,318	21,238	12,318	21,238
Carrying amount of financial liabilities				
Measured at fair value through profit or loss				
- Other financial liabilities	-	55,208	-	-
Measured at amortised cost	19,053,198	20,307,531	14,112,918	14,235,899

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

21 Stocks

	Group 2017 £	2016 £	Company 2017 £	2016 £
Raw materials and consumables	6,620	5,005	-	-
Work in progress	1,917,905	682,460	1,191,602	424,658
Finished goods and goods for resale	3,879,699	904,290	-	-
	<u>5,804,224</u>	<u>1,591,755</u>	<u>1,191,602</u>	<u>424,658</u>

Stock with a carrying amount of £2,986,825 (2016 £nil) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

22 Debtors

	Group 2017 £	2016 £	Company 2017 £	2016 £
Amounts falling due within one year:				
Trade debtors	1,636,080	1,865,291	156,635	122,004
Corporation tax recoverable	12,387	-	12,387	-
Amounts owed by group undertakings	-	-	234,525	5,799,791
Amounts owed by undertakings in which the company has a participating interest	119,318	60,000	119,318	60,000
Other debtors	1,513,491	4,118,531	201,662	387,092
Prepayments and accrued income	516,529	698,293	188,036	214,848
	<u>3,797,805</u>	<u>6,742,115</u>	<u>912,563</u>	<u>6,583,735</u>
Amounts falling due after more than one year:				
Prepayments and accrued income	<u>15,964</u>	<u>26,929</u>	<u>-</u>	<u>-</u>
Total debtors	<u>3,813,769</u>	<u>6,769,044</u>	<u>912,563</u>	<u>6,583,735</u>

Included in trade debtors is an amount of £1,284,831 (2016 £1,639,377) which is factored.

23 Current asset investments

	Group 2017 £	2016 £	Company 2017 £	2016 £
Unlisted investments	<u>12,318</u>	<u>21,238</u>	<u>12,318</u>	<u>21,238</u>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

24 Creditors: amounts falling due within one year

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans and overdrafts	26	2,807,350	2,840,381	568,095	695,095
Obligations under finance leases	27	26,349	29,909	6,355	4,075
Other borrowings	26	25,921	151,092	25,921	151,092
Trade creditors		1,104,611	1,231,966	117,651	70,993
Amounts due to group undertakings		-	-	816,159	1,001,529
Corporation tax payable		222,471	19,295	90,534	8,921
Other taxation and social security		138,762	93,685	119,570	54,986
Other creditors		832,540	1,607,287	728,955	1,417,889
Accruals and deferred income		792,433	818,326	450,791	440,673
		<u>5,950,437</u>	<u>6,791,941</u>	<u>2,924,031</u>	<u>3,845,253</u>

25 Creditors: amounts falling due after more than one year

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans and overdrafts	26	13,327,126	12,839,545	11,484,800	10,240,653
Obligations under finance leases	27	44,743	72,005	15,011	23,646
Other borrowings	26	92,125	717,020	92,125	567,020
Derivative financial instruments		-	55,208	-	-
		<u>13,463,994</u>	<u>13,683,778</u>	<u>11,591,936</u>	<u>10,831,319</u>

Obligations under finance leases are secured on the assets concerned.

Amounts included above which fall due after five years are as follows:

Payable by instalments	377,125	1,622,603	151,825	440,705
Payable other than by instalments	-	150,000	-	-
	<u>377,125</u>	<u>1,772,603</u>	<u>151,825</u>	<u>440,705</u>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

26 Loans and overdrafts

	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans	15,698,787	15,001,723	12,052,895	10,935,748
Bank overdrafts	435,689	678,203	-	-
Other loans	118,046	868,112	118,046	718,112
	<u>16,252,522</u>	<u>16,548,038</u>	<u>12,170,941</u>	<u>11,653,860</u>
Payable within one year	2,833,271	2,991,473	594,016	846,187
Payable after one year	<u>13,419,251</u>	<u>13,556,565</u>	<u>11,576,925</u>	<u>10,807,673</u>
Amounts included above which fall due after five years:				
Payable by instalments	377,125	1,622,603	151,825	440,705
Payable other than by instalments	-	150,000	-	-
	<u>377,125</u>	<u>1,772,603</u>	<u>151,825</u>	<u>440,705</u>

The bank holds the following security for the overdraft:

1. Cross guarantee and debenture given in favour of Abbey Properties Cambridgeshire Limited.
2. Additional security has been provided in the form of assets held by the Group members and the Abbey Produce Limited Pension Scheme.

Bank loans are secured by way of a fixed charge over the Group's assets.

The bank loans are repayable in quarterly instalments at a variable interest rate linked to LIBOR.

27 Finance lease obligations

	Group 2017 £	2016 £	Company 2017 £	2016 £
Future minimum lease payments due under finance leases:				
Within one year	26,349	29,909	6,356	4,075
In two to five years	44,743	72,005	15,010	23,646
	<u>71,092</u>	<u>101,914</u>	<u>21,366</u>	<u>27,721</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is four years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

28 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2017 £	Liabilities 2016 £
Group		
Accelerated capital allowances	246,038	373,123
Tax losses	(5,118)	(118,222)
Revaluations	270,097	363,429
Retirement benefit obligations	(570)	-
Other timing differences	(13,687)	(15,697)
	<u>496,760</u>	<u>602,633</u>
	Liabilities 2017 £	Liabilities 2016 £
Company		
Accelerated capital allowances	97,325	112,506
Tax losses	(5,118)	(5,388)
Revaluations	270,097	363,429
Other timing differences	(13,687)	(15,697)
	<u>348,617</u>	<u>454,850</u>
	Group 2017 £	Company 2017 £
Movements in the year:		
Liability at 1 January 2017	602,633	454,850
Credit to profit or loss	(59,082)	(106,233)
	<u>543,551</u>	<u>348,617</u>

No significant change in the deferred tax provision is expected within the next 12 months.

29 Retirement benefit schemes

	2017 £	2016 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>145,997</u>	<u>49,494</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

30 Share capital

	Group and company	
	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
5,100 Ordinary 'A' shares of £1 each	5,100	5,100
5,000 Ordinary 'B' shares of £1 each	5,000	5,000
100 Ordinary 'C' shares of £1 each	100	100
1,000 Ordinary 'D' shares of £1 each	1,000	1,000
	<u>11,200</u>	<u>11,200</u>

Each class of share relates to the assets of particular subsidiary companies other than 'A' shares which relate to assets in the company other than those specifically designated to 'B', 'C' and 'D' ordinary shares.

The rights of different classes of share are restricted so that only their respective holders participate in the distribution of surplus assets in the subsidiary represented by that particular class of share.

31 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Within one year	167,272	200,467	91,000	91,000
Between two and five years	505,993	669,964	364,000	364,000
In over five years	6,125,000	6,775,000	5,523,000	5,614,000
	<u>6,798,265</u>	<u>7,645,431</u>	<u>5,978,000</u>	<u>6,069,000</u>

Lessor

The operating leases represent leases of commercial and residential properties to third parties. The leases are negotiated over varying terms of between one and twenty eight years.

At the reporting end date the group had contracted with tenants for the following minimum lease payments:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Within one year	1,045,345	914,190	939,723	885,723
Between two and five years	3,455,241	3,263,212	3,449,248	3,233,248
In over five years	6,643,245	7,079,299	6,643,245	7,079,299
	<u>11,143,831</u>	<u>11,256,701</u>	<u>11,032,216</u>	<u>11,198,270</u>

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

32 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	120,973	149,222

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2017 £	2016 £	2017 £	2016 £
Group				
Other related parties	7,635	1,407	-	62,894
	Rent paid		Management charges received	
	2017 £	2016 £	2017 £	2016 £
Group				
Entities over which the entity has control, joint control or significant influence	-	-	75,998	54,000
Other related parties	90,000	91,000	15,000	10,000

The following amounts were outstanding at the reporting end date:

Amounts owed to related parties	2017 £	2016 £
Group		
Entities over which the group has control, joint control or significant influence	652,066	612,002
Other related parties	85,425	685,490

The following amounts were outstanding at the reporting end date:

Amounts owed by related parties	2017 Balance £	2016 Balance £
Group		
Entities over which the group has control, joint control or significant influence	1,371,028	3,717,573

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

33 Directors' transactions

Dividends totalling £96,931 (2016 - £0) were paid in the year in respect of shares held by the company's directors.

Management charges amounting to £nil (2016 £12,780) were paid to a business owned by one of the directors.

During the year the group purchased properties from the directors for a total of £182,500 (2016 £nil).

Advances or credits have been granted by the group to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Loan	-	379,242	112,564	(298,237)	193,569
		<u>379,242</u>	<u>112,564</u>	<u>(298,237)</u>	<u>193,569</u>

The loan to the director is unsecured, interest free and repayable on demand.

34 Controlling party

The ultimate controlling party is D C Sutton by virtue of his majority shareholding.

THE ABBEY GROUP CAMBRIDGESHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

35 Cash generated from group operations

	2017 £	2016 £
Profit for the year after tax	7,592,055	487,200
Adjustments for:		
Share of results of associates and joint ventures	(57,148)	(423,344)
Taxation charged/(credited)	163,057	(119,511)
Finance costs	670,690	655,763
Investment income	(13,186)	(38)
(Gain)/loss on disposal of tangible fixed assets	-	19,702
Loss on disposal of intangible assets	45,775	-
Gain on disposal of business	(6,731,893)	-
Amortisation and impairment of intangible assets	61,488	67,639
Depreciation and impairment of tangible fixed assets	565,805	606,945
Amounts written off investments	8,920	80,266
Movements in working capital:		
(Increase) in stocks	(4,212,469)	(509,237)
Decrease/(increase) in debtors	2,781,989	(582,648)
(Decrease) in creditors	(882,918)	(146,157)
Cash (absorbed by)/generated from operations	(7,835)	136,580