

Shaw Gibbs Limited
Financial Statements
31 March 2017

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Shaw Gibbs Limited
Financial Statements
Year ended 31 March 2017

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Shaw Gibbs Limited
Officers and Professional Advisers

The board of directors

Mr C Everitt
Mrs A G Caiger
Mr S J Wetherall
Mr D J F Rickwood
Mr D P O'Connell
Mr S H Neal
Mr L R Smith
Mrs L Watson
Mr E B Edgar-Gibson
Ms S A Gardener
Ms H D Simmons
Mr P J Watts

Company secretary

Mrs A G Caiger

Registered office

264 Banbury Road
Oxford
Oxfordshire
OX2 7DY

Auditor

Cox, Hinkins & Co.
Chartered Certified Accountants & statutory auditor
The Old Dairy
12 Stephen Road
Headington
Oxford
OX3 9AY

Shaw Gibbs Limited

Strategic Report

Year ended 31 March 2017

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

REVIEW OF THE BUSINESS

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

BUSINESS OVERVIEW AND PERFORMANCE

In the year under review the business saw a period of growth and improved profitability. The position was brought about through a review of our operating costs and through the acquisition of the firm of accountants, Cooper Murray, in London.

The London acquisition has brought to the practice an established client base and experienced team operating out of offices in Devonshire Street, London. Since the acquisition there has been a focus on retaining the clients acquired and integrating them into the existing operations of the firm.

The combination of the acquisition and review of operating costs saw an increase in our gross profit percentage of over 5%. Our profit before tax figure increased by over 50%.

The business continues to perform well in the current year. We are continuing to refine and implement our strategies in developing and expanding our operations in London, marketing and promoting our expertise and range of services to property owners, investors and developers as well as property related professionals and enhancing our international offering through our membership of the international association DFK.

The business continues to review changes to the market including factors such as Making Tax Digital, AI and Machine Learning and how it impacts the profession. Although Making Tax Digital has been delayed, we are preparing for investment in technology, systems and processes to deal with this in the future.

VISION AND STRATEGY

The firm is a vibrant organisation with a passion for its clients. The ethos and culture of the firm is built around its core values of professional, dynamic, fair, fun and commercial. We continually endeavour to put client relationships at the forefront of our business and are constantly looking to exceed their expectations, looking at innovative ways to engage with our clients including being at the forefront of technological developments.

The firm and its connected entities focus on working with owner managed businesses, private clients and high net worth individuals. The firm offers a comprehensive package of services that cover all corporate and private client demands. This is achieved through the development of a broad range of services that are tailored to assist growing businesses and successful individuals. The services include advice in areas such as audit, accounts, corporate and business tax, personal tax (including will planning, inheritance tax planning as well as a range of advice around income and capital taxes), corporate finance, financial services, insolvency and corporate recovery services.

Our key in delivering these services in a professional and dynamic manner is to employ the best people. All of these services are delivered from our modern offices in North Oxford and Marylebone, London.

Shaw Gibbs Limited

Strategic Report *(continued)*

Year ended 31 March 2017

Following the acquisition of the Cooper Murray practice in Marylebone, we incorporated it into our existing London operations. We were delighted that the Cooper Murray team were able to join us. We have since started investing further in our London operation, having recently moved in to larger new offices and recruited new members to the team.

The firm continues to develop its skills in providing clients with international accounting and tax support. Through its membership of the international association, DFK, the firm is able to provide support not only to UK businesses looking to trade and expand overseas but additionally for foreign businesses and individuals looking to do business in the UK.

The London operation and international support together with the existing range of specialist services, particularly in tax, have enabled the further development of a specialist property service to clients, advising on a full range of property related transactions from property acquisition, property development and portfolio structuring.

RISKS AND ECONOMIC CLIMATE

Our people continue to be the key to the success of our business. We constantly listen to the requirements of our staff and strive to put in place a working environment and a benefits and rewards package that ensures we provide a rewarding environment to work in. This has been evident in our staff retention and in particular the number of staff who have remained beyond the end of their training contracts and progressed to managers and directors within the business.

The accountancy and professional services market remains a competitive environment and we continue to seek to develop our range of specialist services to complement our core accountancy and advisory services. We are focused on retaining our existing customer base through our commitment to client service and technical excellence in our advice. In addition, we are always looking to work with new clients and individuals who want to engage with a firm who deliver comprehensive advice and we remain confident that we are well placed to provide a high quality choice for businesses and individuals.

We constantly monitor the economic environment in which we operate and although the markets in which the majority of our clients operate of London and Oxfordshire are considered robust economies we constantly look at changes and how that impacts property prices, investment and employment.

We have recently seen an increase in interest rates which will have an impact on a number of businesses which borrow money. The initial increase, with the Governor of the Bank of England predicting further rate increases between now and 2020, may have a particular impact on companies which have high levels of gearing.

KEY PERFORMANCE INDICATORS

The directors and senior management regularly focus on a number of KPI's including sales and gross margin analysis by division, staff productivity and chargeability, as well as those measures referred to above. We also closely monitor the balance sheet position including a regular review of working capital movements including trade debtors, cash and trade creditors.

The report was approved by the board of directors on 20 December 2017 and signed on behalf of the board by:



Mr D P O'Connell
Director

Shaw Gibbs Limited

Directors' Report

Year ended 31 March 2017

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

Directors

The directors who served the company during the year were as follows:

Mr C Everitt	
Mrs A G Caiger	
Mr S J Wetherall	
Mr D J F Rickwood	
Mr D P O'Connell	
Mr S H Neal	
Mr L R Smith	
Mrs L Watson	
Mr E B Edgar-Gibson	
Ms S A Gardener	
Mr F E O Porter	(Resigned 10 April 2017)
Ms H D Simmons	
Mr P J Watts	(Appointed 31 October 2016)
Mr M R Wistow	(Resigned 21 October 2016)

Dividends

Particulars of recommended dividends are detailed in note 15 to the financial statements.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Shaw Gibbs Limited

Directors' Report *(continued)*

Year ended 31 March 2017

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487(2) of the Companies Act 2006.

This report was approved by the board of directors on 20 December 2017 and signed on behalf of the board by:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, representing the signature of Mr D P O'Connell.

Mr D P O'Connell
Director

Shaw Gibbs Limited

Independent Auditor's Report to the Members of Shaw Gibbs Limited

Year ended 31 March 2017

We have audited the financial statements of Shaw Gibbs Limited for the year ended 31 March 2017 which comprise the profit and loss account, balance sheet, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Shaw Gibbs Limited

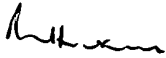
Independent Auditor's Report to the Members of Shaw Gibbs Limited *(continued)*

Year ended 31 March 2017

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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.



MICHAEL HOWARD HINKINS (Senior Statutory Auditor)

For and on behalf of
Cox, Hinkins & Co.
Chartered Certified Accountants & statutory auditor
The Old Dairy
12 Stephen Road
Headington
Oxford
OX3 9AY

20 December 2017

Shaw Gibbs Limited
Profit and Loss Account
Year ended 31 March 2017

	Note	2017 £	2016 £
Turnover	3	3,930,122	3,800,099
Cost of sales		<u>(1,230,479)</u>	<u>(1,444,074)</u>
Gross profit		2,699,643	2,356,025
Administrative expenses		<u>(1,780,824)</u>	<u>(1,715,643)</u>
Other operating income	4	116,044	20,588
Operating profit	5	1,034,863	660,970
Income from associated undertakings	9	80,844	56,621
Income from other fixed asset investments	10	7,170	1,765
Interest receivable	11	2,157	13,434
Amounts written off investments	12	<u>(16,152)</u>	<u>—</u>
Interest payable and similar expenses	13	<u>(212,204)</u>	<u>(167,596)</u>
Profit before taxation		896,678	565,194
Tax on profit	14	<u>(239,558)</u>	<u>70,566</u>
Profit for the financial year		<u>657,120</u>	<u>635,760</u>

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 12 to 21 form part of these financial statements.

Shaw Gibbs Limited

Balance Sheet

31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	16	4,581,496	3,817,959
Tangible assets	17	147,193	176,967
Investments	18	321,253	337,405
		<u>5,049,942</u>	<u>4,332,331</u>
Current assets			
Debtors	19	2,901,520	2,661,164
Cash at bank and in hand		101	150
		<u>2,901,621</u>	<u>2,661,314</u>
Creditors: amounts falling due within one year	21	<u>3,184,961</u>	<u>2,902,115</u>
Net current liabilities		<u>(283,340)</u>	<u>(240,801)</u>
Total assets less current liabilities		<u>4,766,602</u>	<u>4,091,530</u>
Creditors: amounts falling due after more than one year	22	<u>1,418,678</u>	<u>1,058,172</u>
Net assets		<u><u>3,347,924</u></u>	<u><u>3,033,358</u></u>
Capital and reserves			
Called up share capital	24	2,463	2,208
Capital redemption reserve	25	352	352
Profit and loss account	25	3,345,109	3,030,798
Members funds		<u><u>3,347,924</u></u>	<u><u>3,033,358</u></u>

These financial statements were approved by the board of directors and authorised for issue on 20 December 2017, and are signed on behalf of the board by:



Mr D P O'Connell
Director

Company registration number: 02209123

The notes on pages 12 to 21 form part of these financial statements.

Shaw Gibbs Limited
Statement of Changes in Equity
Year ended 31 March 2017

		Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2015		2,510	50	3,529,876	3,532,436
Profit for the year		—	—	635,760	635,760
Total comprehensive income for the year		—	—	635,760	635,760
Dividends paid and payable	15	—	—	(203,395)	(203,395)
Redemption of shares		(302)	302	(931,443)	(931,443)
Total investments by and distributions to owners		(302)	302	(1,134,838)	(1,134,838)
At 31 March 2016		2,208	352	3,030,798	3,033,358
Profit for the year		—	—	657,120	657,120
Total comprehensive income for the year		—	—	657,120	657,120
Issue of shares		255	—	—	255
Dividends paid and payable	15	—	—	(342,809)	(342,809)
Total investments by and distributions to owners		255	—	(342,809)	(342,554)
At 31 March 2017		<u>2,463</u>	<u>352</u>	<u>3,345,109</u>	<u>3,347,924</u>

The notes on pages 12 to 21 form part of these financial statements.

Shaw Gibbs Limited
Statement of Cash Flows
Year ended 31 March 2017

	Note	2017 £	2016 £
Cash generated from operations	26	1,497,584	1,795,495
Interest paid		(212,204)	(167,596)
Interest received		2,157	13,434
Tax paid		(290,087)	(216,055)
Net cash from operating activities		<u>997,450</u>	<u>1,425,278</u>
Cash flows from investing activities			
Purchase of intangible assets		(1,033,988)	–
Purchase of tangible assets		(11,862)	(15,807)
Proceeds from sale of tangible assets		371	–
Proceeds from sale of intangible assets		–	14,788
Income from investments		88,014	58,386
Net cash from investing activities		<u>(957,465)</u>	<u>57,367</u>
Cash flows from financing activities			
Proceeds from issue of ordinary shares		255	–
Purchase of own shares		–	(931,443)
Proceeds from borrowings		411,010	(554,846)
Dividends paid		(342,809)	(203,395)
Net cash from/(used in) financing activities		<u>68,456</u>	<u>(1,689,684)</u>
Net increase/(decrease) in cash and cash equivalents		108,441	(207,039)
Cash and cash equivalents at beginning of year		(494,025)	(286,986)
Cash and cash equivalents at end of year	20	<u>(385,584)</u>	<u>(494,025)</u>

The notes on pages 12 to 21 form part of these financial statements.

Shaw Gibbs Limited
Notes to the Financial Statements
Year ended 31 March 2017

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2. Accounting policies

General information and basis of preparation

Shaw Gibbs Limited is a private limited company incorporated in England and Wales. The registered office is at 264 Banbury Road, Oxford. The company's principal activity is the provision of business advice and accountancy, tax and related services to its clients.

The financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below.

The financial statements are prepared in sterling which is the functional currency of the entity and rounded to the nearest pound.

Revenue recognition

The turnover shown in the profit and loss account represents amounts receivable for work undertaken during the year, exclusive of Value Added Tax.

Revenue from rendering services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that the expenses recognised are recoverable.

Taxation

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

The tax currently payable is based on taxable profits 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax is not recognised in respect of any timing differences at the reporting date as all are immaterial.

Operating lease agreements

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

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

2. Accounting policies *(continued)*

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 5 - 20 years
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	- 15 years straight line
Fixtures and Fittings	- 3 - 6 years straight line
Equipment	- 2 - 5 years straight line

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

2. Accounting policies *(continued)*

Investments in associates

Investments in associates are accounted for in accordance with the cost model and are recorded at cost less any accumulated impairment losses.

Income from investments in associates is recognised as it arises.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, an impairment loss is recognised in the statement of total comprehensive income.

Retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

3. Turnover

Turnover arises from:

	2017 £	2016 £
Provision of services	<u>3,930,122</u>	<u>3,800,099</u>

4. Other operating income

	2017 £	2016 £
Commission receivable	24,444	20,588
Management charges receivable	<u>91,600</u>	<u>—</u>
	<u>116,044</u>	<u>20,588</u>

5. Operating profit

Operating profit or loss is stated after charging:

	2017 £	2016 £
Amortisation of intangible assets	270,451	230,368
Depreciation of tangible assets	41,636	47,216
Gains on disposal of tangible assets	(371)	—
Gains on disposal of intangible assets	<u>—</u>	<u>(5,960)</u>

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

6. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>8,145</u>	<u>12,580</u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017 No.	2016 No.
Number of technical staff including directors	37	40
Number of administrative and support staff	18	17
	<u>55</u>	<u>57</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017 £	2016 £
Wages and salaries	1,387,669	1,579,473
Social security costs	136,520	155,792
Other pension costs	19,741	19,616
	<u>1,543,930</u>	<u>1,754,881</u>

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2017 £	2016 £
Remuneration	166,012	139,859
Company contribution to defined contribution pension plans	2,275	—
	<u>168,287</u>	<u>139,859</u>

9. Income from associated undertakings

	2017 £	2016 £
Income from associated undertakings	<u>80,844</u>	<u>56,621</u>

10. Income from other fixed asset investments

	2017 £	2016 £
Income from other fixed asset investments	<u>7,170</u>	<u>1,765</u>

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

11. Interest receivable

	2017	2016
	£	£
Interest on cash and cash equivalents	2,149	3,516
Taxation repayment supplement received	8	9,918
	<u>2,157</u>	<u>13,434</u>

12. Amounts written off investments

	2017	2016
	£	£
Amount written off investments	<u>16,152</u>	<u>-</u>

13. Interest payable and similar expenses

	2017	2016
	£	£
Interest on banks loans and overdrafts	17,906	11,886
Other interest payable and similar charges	194,298	155,710
	<u>212,204</u>	<u>167,596</u>

14. Tax on profit

Major components of tax expense/(income)

	2017	2016
	£	£
Current tax:		
UK current tax expense	241,610	168,427
Adjustments in respect of prior periods	(2,052)	(238,993)
Total current tax	<u>239,558</u>	<u>(70,566)</u>
Tax on profit	<u>239,558</u>	<u>(70,566)</u>

Reconciliation of tax expense/(income)

The tax assessed on the profit on ordinary activities for the year is higher than (2016: lower than) the standard rate of corporation tax in the UK of 20% (2016: 20%).

	2017	2016
	£	£
Profit on ordinary activities before taxation	<u>896,678</u>	<u>565,194</u>
Profit on ordinary activities by rate of tax	179,336	113,039
Adjustment to tax charge in respect of prior periods	(2,052)	(238,993)
Effect of expenses not deductible for tax purposes	59,460	11,901
Effect of capital allowances and depreciation	2,814	43,487
Tax on profit	<u>239,558</u>	<u>(70,566)</u>

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

15. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2017 £	2016 £
Equity dividends on ordinary A shares	271,035	67,920
Equity dividends on ordinary C shares	69,649	118,932
Equity dividends on ordinary D shares	2,125	16,543
	<u>342,809</u>	<u>203,395</u>

16. Intangible assets

	Goodwill £
Cost	
At 1 April 2016	4,265,302
Acquisitions through business combinations	1,033,988
At 31 March 2017	<u>5,299,290</u>
Amortisation	
At 1 April 2016	447,343
Charge for the year	270,451
At 31 March 2017	<u>717,794</u>
Carrying amount	
At 31 March 2017	<u>4,581,496</u>
At 31 March 2016	<u>3,817,959</u>

17. Tangible assets

	Leasehold property £	Fixtures & fittings £	Equipment £	Total £
Cost				
At 1 April 2016	191,937	16,675	58,493	267,105
Additions	–	–	11,862	11,862
Disposals	–	–	(7,222)	(7,222)
At 31 March 2017	<u>191,937</u>	<u>16,675</u>	<u>63,133</u>	<u>271,745</u>
Depreciation				
At 1 April 2016	45,021	7,803	37,314	90,138
Charge for the year	24,288	3,399	13,949	41,636
Disposals	–	–	(7,222)	(7,222)
At 31 March 2017	<u>69,309</u>	<u>11,202</u>	<u>44,041</u>	<u>124,552</u>
Carrying amount				
At 31 March 2017	<u>122,628</u>	<u>5,473</u>	<u>19,092</u>	<u>147,193</u>
At 31 March 2016	<u>146,916</u>	<u>8,872</u>	<u>21,179</u>	<u>176,967</u>

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

18. Investments

	Shares in group undertakings £	Other investments £	Total £
Cost			
At 1 April 2016	290,754	263,917	554,671
Other movements	—	489	489
At 31 March 2017	290,754	264,406	555,160
Impairment			
At 1 April 2016	—	217,266	217,266
Provision for the year	—	16,641	16,641
At 31 March 2017	—	233,907	233,907
Carrying amount			
At 31 March 2017	290,754	30,499	321,253
At 31 March 2016	290,754	46,651	337,405

Subsidiaries, associates and other investments

The company owns 25% of the equity of Shaw Gibbs Insolvency and Corporate Recovery LLP, a Limited Liability Partnership incorporated in England & Wales. Shaw Gibbs Insolvency and Corporate Recovery LLP provides insolvency and corporate recovery advice.

19. Debtors

	2017 £	2016 £
Trade debtors	991,060	954,990
Amounts owed by group undertakings	191,140	118,335
Prepayments and accrued income	336,765	335,506
Other debtors	1,382,555	1,252,333
	2,901,520	2,661,164

20. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2017 £	2016 £
Cash at bank and in hand	101	150
Bank overdrafts	(385,685)	(494,175)
	(385,584)	(494,025)

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

21. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loan and overdraft	419,346	494,175
Trade creditors	528,785	410,470
Accruals and deferred income	343,369	224,534
Corporation tax	491,919	542,448
Social security and other taxes	246,225	238,344
Director loan accounts	310,982	313,105
Other creditors	844,335	679,039
	<u>3,184,961</u>	<u>2,902,115</u>

The bank loan and overdraft are secured by a debenture comprising fixed and floating charges over all the assets of the company.

22. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loan and overdraft	302,358	—
Director loan accounts	886,432	809,318
Other creditors	229,888	248,854
	<u>1,418,678</u>	<u>1,058,172</u>

The bank loan is secured by a debenture comprising fixed and floating charges over all the assets of the company.

Included with other creditors are 3 loans from Ingenious Resources Limited totalling £27,138 (2016: £28,855) which facilitated the purchase of other investments (see note 18). The loans are secured by way of a first priority fixed charge over the investments and are repayable upon the earliest of realisation or sale between 31 December 2017 and 31 March 2020.

23. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £19,741 (2016: £19,616).

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

24. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary A shares of £0.001 each	660,000	660	420,000	420
Ordinary B shares of £0.001 each	838,980	839	838,980	839
Ordinary C shares of £0.001 each	903,542	904	388,406	389
Ordinary D shares of £0.001 each	60,000	60	60,000	60
Ordinary E shares of £0.001 each	—	—	500,000	500
	<u>2,462,522</u>	<u>2,463</u>	<u>2,207,386</u>	<u>2,208</u>

During the year 169,634 Ordinary A shares and 85,502 Ordinary C shares of £0.001 each were issued fully paid for cash of £255.

On 6 April 2016, 22,639 Ordinary C shares and 500,000 Ordinary E shares were redesignated as 70,366 Ordinary A shares and 452,273 Ordinary C shares.

Ordinary A shares include Ordinary A, A2, A3 and A4 shares. These shares have full voting and dividend rights and are entitled to return of capital equal to par on sale, winding up or capital reduction.

Ordinary B shares include Ordinary B, B010213, B200814, B060416 and B011116 shares. These shares have full voting and dividend rights.

Ordinary C shares have full voting and dividend rights and are entitled to return of capital equal to par on sale, winding up or capital reduction.

Ordinary D shares include Ordinary D and D2 shares. These shares have full voting and dividend rights and are entitled to return of capital equal to £2.75/share on sale, winding up or capital reduction.

25. Reserves

Details of reserves are disclosed in the statement of changes in equity.

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

26. Cash generated from operations

	2017 £	2016 £
Profit for the financial year	672,720	635,760
<i>Adjustments for:</i>		
Depreciation of tangible assets	41,636	47,216
Amortisation of intangible assets	270,451	230,368
Amounts written off investments	16,152	–
Income from associated undertakings	(80,844)	(56,621)
Income from other fixed asset investments	(7,170)	(1,765)
Interest receivable	(2,157)	(13,434)
Interest payable and similar expenses	212,204	167,596
Gains on disposal of tangible assets	(371)	–
Gains on disposal of intangible assets	–	(5,960)
Tax on profit	223,958	(70,566)
Accrued expenses	118,835	3,718
<i>Changes in:</i>		
Trade and other debtors	(240,356)	243,652
Trade and other creditors	272,526	615,531
	<u>1,497,584</u>	<u>1,795,495</u>

27. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than 1 year	228,752	228,752
Later than 1 year and not later than 5 years	906,234	915,008
Later than 5 years	–	219,978
	<u>1,134,986</u>	<u>1,363,738</u>

28. Contingencies

At 31 March 2017 the company is party to a multilateral guarantee given to HSBC Bank plc and Lloyds Bank plc by Shaw Gibbs Limited and SGRF Limited and Shaw Gibbs Financial Services Limited, both related companies.

The company's bankers hold a charge over the assets of the parties to the guarantee, by way of security for any monies due under the terms of the guarantee.

29. Directors' advances, credits and guarantees

At 31 March 2017 the company owed £1,197,414 (2016: £1,122,423) to its directors by way of outstanding loans.

During the year the company incurred interest due to its directors on their loans of £142,810 (2016: £111,132), which was outstanding at 31 March 2017.

Shaw Gibbs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

30. Related party transactions

During the year dividends of £342,809 (2016: £203,395) were paid to the directors of the company.

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

	2017 £	2016 £
Charges made to related parties	178,962	112,177
Amounts due from related parties	<u>191,140</u>	<u>118,335</u>

Key management personnel of the entity

The aggregate total remuneration awarded to the key management personnel of the entity amounted to £168,287 (2016: £139,859).

Other related parties

	2017 £	2016 £
Interest payable and similar charges	32,266	31,058
Management charges	91,600	—
Other charges made to related parties	141,964	216,012
Amounts due from related parties	1,294,602	1,203,114
Amounts due to related parties	<u>555,563</u>	<u>625,610</u>