

Company number:

2782532

VALUE RETAIL PLC

ANNUAL REPORT

31 DECEMBER 2015



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Contents

Directors, Officers and Professional Advisors.....	2
Strategic Report.....	3
Directors' Report.....	4
Statement of Directors' Responsibilities.....	5
Independent Auditor's Report to the Members of Value Retail PLC.....	6
Consolidated Statement of Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Changes In Equity	10
Consolidated Statement of Cash Flows	11
Notes to the Consolidated Financial Statements.....	12
Company Statement of Financial Position.....	27
Notes to the Company Financial Statements	28

DIRECTORS, OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

S D Malkin (Chairman)
R V Gibbs (Managing Director)
N G Host
D M Bollier
J N Lambert (Non-Executive)
J L Ligon (Non-Executive)
T J DeRosa (Non-Executive)
L T Chao (Non-Executive)
M A Burton (Non-Executive)
N T Drakesmith (Non-Executive)
D L Spar (Non-Executive)
R A Kennedy (Non-Executive – appointed 1 March 2016)

SECRETARY

J H Abrams

AUDITOR

Ernst & Young LLP
1 More London Place
London
SE1 2AF

BANKER

Santander UK PLC
298 Deansgate
Manchester
M3 4HH

SOLICITOR

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London
EC1A 4DD

REGISTERED OFFICE

19 Berkeley Street
London
W1J 8ED

STRATEGIC REPORT

The Directors present their Strategic Report for the year ended 31 December 2015.

The financial statements of Value Retail PLC for the year ended 31 December 2015 were authorised for issue in accordance with a resolution of the Directors on 20 June 2016.

REVIEW OF THE BUSINESS

The principal activity of Value Retail PLC ("the Company") and its subsidiaries (together, "the Group") is the provision of services, for the development and management of shopping Villages. The Company is incorporated in England and Wales.

During the year, the Group continued to provide property development and property management services to the owners and operators of the nine Value Retail shopping Villages in Europe under management and service agreements. In addition, the Company has carried out project management and administration services to the owners and operators of the two Value Retail shopping Villages in China under specialist services agreements, as well as property management services to the owners and operators of certain other European shopping Villages.

The performance of the Group is measured by reference to the turnover and profits generated by those services, which can vary from one year to the next in relation to the level of services required by each Village. The Directors consider the key performance indicators of the Group to be turnover and profit before tax, which developed as follows:

	2015	2014	Change
	£000	£000	%
Turnover	156,600	143,266	9.3
Profit before tax	5,798	6,781	(14.5)

These financial statements, for the year ended 31 December 2015, are the first the Group has prepared in accordance with International Financial Reporting Standards. For periods up to and including the year ended 31 December 2014, the Group prepared its financial statements in accordance with UK generally accepted accounting principles, see note 5. Profit has slightly declined largely due to lower net finance income.

RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Group are broadly grouped as competitive, legislative and financial instrument risks.

Competitive risks

The Group currently provides services to the Villages and is therefore dependent on the ongoing success of the Villages. The performance of the Villages is monitored closely and frequently by the Directors and additional management services are provided if necessary.

Legislative risks

The Group must comply with relevant legislation across a number of jurisdictions in Europe, and maintains both Group and local expertise in order to ensure that full compliance is maintained.

Financial instrument risks

Where necessary, the Group will use interest rate swaps to manage interest rate exposures on floating rate loans in order to guarantee fixed interest payments.



J H Abrams
Secretary

20 June 2016

DIRECTORS' REPORT

The Directors present their Annual Report on the affairs of the Company, together with the Group financial statements and independent auditor's report for the year ended 31 December 2015.

DIVIDENDS

The Directors do not recommend the payment of an ordinary dividend (2014: £nil). Preference dividends of £160,000 (2014: £160,000) became payable during the year in accordance with the Articles of Association.

FUTURE DEVELOPMENTS

The Directors aim to maintain the management strategies which have resulted in the Group's growth in recent years. They consider that the next year will show further growth as the European and Chinese shopping Villages and other business opportunities continue to develop.

DIRECTORS

The names of the directors of the Company who served during the year and as at the date of this report are listed on page 2.

The Company has qualifying directors' third party insurance. This was in force during the year and remains in place as at the date of approving the financial statements.

DISABLED EMPLOYEES

The Group gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

FINANCIAL INSTRUMENTS

Details of the Group's financial risk management in relation to its financial instruments are set out in note 25.

EMPLOYEE INVOLVEMENT

The Group operates a framework for employee information and consultation. During the year, the policy of providing employees with information about the Group has been continued, with quarterly briefing meetings of all employees at each location and regular news updates on developments across the Group.

DISCLOSURE OF INFORMATION TO THE 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, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to reappoint Ernst & Young LLP as the Company's auditor will be put to the members at the Annual General Meeting in accordance with section 485 of the Companies Act 2006.

By order of the Board.

Secretary

20 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the International Financial Reporting Standards and applicable law adopted in the European Union. 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 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 judgments 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 will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALUE RETAIL PLC

We have audited the consolidated financial statements of Value Retail PLC for the year ended 31 December 2015, which comprise the consolidated statement of comprehensive income, the consolidated and parent company statements of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the related notes 1 to 35. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

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 on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2015 and of the group's and the parent company's profit for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALUE RETAIL PLC (continued)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Nick Gomer (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

23 June 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2015

	Note	2015 £000	2014 £000
Revenue	6	156,600	143,266
Cost of sales		(149,273)	(137,148)
Gross profit		<u>7,327</u>	<u>6,118</u>
Administrative expenses		(2,443)	(1,131)
Operating profit	8	<u>4,884</u>	<u>4,987</u>
Finance income	10	2,234	7,106
Finance costs	11	(1,320)	(5,312)
Profit before tax		<u>5,798</u>	<u>6,781</u>
Income tax expense	12	(2,005)	(2,124)
Profit for the year		<u>3,793</u>	<u>4,657</u>
Other comprehensive expense			
Foreign exchange translation differences	13	(673)	(913)
Total comprehensive income for the year, net of tax		<u><u>3,120</u></u>	<u><u>3,744</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2015

	Note	2015 £000	2014 £000	1 Jan 2014 £000
ASSETS				
Non-current assets				
Tangible fixed assets	14	1,909	255	315
Intangible fixed assets	15	3,282	-	-
Investments	16	35	35	28
Deferred tax assets	12	34	508	514
		<u>5,260</u>	<u>798</u>	<u>857</u>
Current assets				
Trade receivables and other assets	17	37,048	41,963	77,778
Prepayments and accrued income	17	11,635	8,222	4,415
Other current financial assets	17	14,365	144,072	93,017
Cash and cash equivalents	18	21,151	10,713	11,928
		<u>84,199</u>	<u>204,970</u>	<u>187,138</u>
TOTAL ASSETS		<u>89,459</u>	<u>205,768</u>	<u>187,995</u>
EQUITY AND LIABILITIES				
Equity				
Issued capital	19	769	769	769
Retained earnings		37,273	34,153	30,409
Total equity		<u>38,042</u>	<u>34,922</u>	<u>31,178</u>
Current liabilities				
8% preference shares	19, 20	2,000	2,000	2,000
Trade and other payables	21	34,360	29,350	23,700
Amounts owed to related parties	21	8,908	133,984	129,366
Amounts owed to shareholders	21	5,689	4,630	582
Income tax payable	21	460	882	1,169
Total liabilities		<u>51,417</u>	<u>170,846</u>	<u>156,817</u>
TOTAL EQUITY AND LIABILITIES		<u>89,459</u>	<u>205,768</u>	<u>187,995</u>

Approved and signed on behalf of the Board of Directors

Director

20 June 2016

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital £000	Retained earnings £000	Total equity £000
As at 1 January 2014	769	30,409	31,178
For the year ended 31 December 2014			
Profit for the year	-	4,657	4,657
Other comprehensive expense	-	(913)	(913)
Total comprehensive income	-	3,744	3,744
At 31 December 2014	769	34,153	34,922
For the year ended 31 December 2015			
Profit for the year	-	3,793	3,793
Other comprehensive expense	-	(673)	(673)
Total comprehensive income	-	3,120	3,120
At 31 December 2015	769	37,273	38,042

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2015

	2015		2014	
	£000	£000	£000	£000
Operating profit	4,884		4,987	
Depreciation	91		113	
Net foreign exchange differences	(1,158)		(923)	
Working capital adjustments:				
Decrease/(increase) in trade receivables and other assets	2,601		(230)	
Increase in trade and other payables	13,499		9,789	
Cash generated from operations	<u>19,917</u>		<u>13,736</u>	
Interest received	37		39	
Interest paid	(20)		(26)	
Tax paid	(1,953)		(2,405)	
Net cash inflow from operating activities		<u>17,981</u>		<u>11,344</u>
Investing activities				
Purchase of plant and equipment	(1,764)		(86)	
Purchase of intangible fixed assets	(3,282)		-	
Net increase in loans to related parties	(2,497)		(12,473)	
Net cash outflow from investing activities		<u>(7,543)</u>		<u>(12,559)</u>
Net increase/(decrease) in cash and cash equivalents		<u>10,438</u>		<u>(1,215)</u>
Cash and cash equivalents at 1 January		<u>10,713</u>		<u>11,928</u>
Cash and cash equivalents at 31 December		<u><u>21,151</u></u>		<u><u>10,713</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 December 2015

1. Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and interpretations adopted by the European Union ("IFRS"), and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements are prepared on a going concern basis and on the historical cost basis.

The accounting policies have been applied consistently to the results, other gains and losses, assets, liabilities and cash flows of entities included in the consolidated financial statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future periods, the change is recognised over those periods.

For all periods up to and including the year ended 31 December 2014, the Group prepared its financial statements in accordance with UK Generally Accepted Accounting Standards ("UK GAAP"). These financial statements for the year ended 31 December 2015 are the first the Group has prepared in accordance with IFRS. Refer to note 5 for information on how the Group adopted IFRS.

The consolidated financial statements are presented in Sterling and all values are rounded to the nearest thousand (£000), except where otherwise indicated. The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 have been early adopted in these financial statements.

The consolidated financial statements incorporate the financial statements of the holding company, Value Retail PLC (a private company limited by shares), and its subsidiary undertakings. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

No profit and loss account is presented for the Company, as permitted by section 408 of the Companies Act 2006.

2. Summary of significant accounting policies

a) Tangible fixed assets

Plant and equipment is stated at cost less accumulated depreciation. Depreciation is charged to the income statement on a straight-line basis over the estimated useful life, which is generally between three and five years or, in the case of leasehold improvements, the lease term. Assets are additionally reviewed annually for impairment, useful lives and depreciation method, and written down if appropriate.

b) Intangible assets

This comprises acquired and internally developed software and website costs, and is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. All costs are amortised over estimated useful lives of three to five years on a straight-line basis. Assets are additionally reviewed annually for impairment, useful lives and depreciation method, and written down if appropriate.

c) Investments

Investments are held at cost. They are reviewed annually for impairment and written down if appropriate.

d) Trade receivables and payables

Trade receivables and payables are initially measured at fair value, subsequently measured at amortised cost and, where the effect is material, discounted to reflect the time value of money.

e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Summary of significant accounting policies (continued)

f) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed as to whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

Finance leases that transfer to the Group substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

g) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statement net of any reimbursement.

h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

- Rendering of services. Revenue from the provision of services for the management of outlet shopping villages is recognised as and when the services have been provided.
- Interest income. Revenue is recognised as interest accrues. Interest income is included in finance income in the income statement.

i) Net finance costs

Net finance costs, recognised using the effective interest rate method, include interest payable on borrowings, net of interest capitalised, interest receivable on funds invested, and changes in the fair value of derivative financial instruments.

j) Pension costs

Pension contributions are made to an individual's personal pension arrangements under the Value Retail Grouped Personal Pension Scheme. The assets of the scheme are held separately from the Company in an independently administered fund, and costs are accounted for as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Summary of significant accounting policies (continued)

k) Taxation

Current income tax

Tax is included in the income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates applicable at the balance sheet date, together with any adjustment in respect of previous years.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates that are expected to apply in the period when the liability is settled or the asset is realised. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

l) Foreign currencies

The consolidated financial statements are presented in Sterling, which is the Company's functional and presentation currency. The Group includes foreign entities whose functional currencies are not Sterling. On consolidation, the assets and liabilities of those entities are translated at the exchange rates at the balance sheet date and income and expenses are translated at weighted average rates during the period. Translation differences are recognised in equity.

Transactions in foreign currencies are translated into Sterling at exchange rates approximating to the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Sterling at the exchange rate ruling at that date and, unless they relate to the hedging of the net investment in foreign operations, differences arising on translation are recognised in the income statement.

3. Standards issued but not yet effective

At the date of approval of these financial statements the following standards and interpretations possibly relevant to the Group were in issue but not yet effective:

- amendments to IAS 1, Presentation of Financial Statements, effective for accounting periods beginning on or after 1 January 2016;
- amendments to IAS 7, Statement of Cash Flows, effective for accounting periods beginning on or after 1 January 2017;
- amendments to IAS 16, Property Plant and Equipment, and IAS 38, Intangible Assets, effective for accounting periods beginning on or after 1 January 2016;
- IFRS 9, Financial Instruments, effective for accounting periods beginning on or after 1 January 2018;
- IFRS 15, Revenue from Contracts with Customers, effective for accounting periods beginning on or after 1 January 2018;
- IFRS 16, Leases, effective for accounting periods beginning on or after 1 January 2019.

These pronouncements, when applied, may result in changes in presentation and disclosure, but are not expected to have a material impact on the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**4. Significant accounting judgements, estimates and assumptions****a) Preference Shares**

The 8% Preference Shares have an annual dividend and have no voting rights and are therefore shown as a financial liability.

b) Intangible assets

Intangible assets are capitalised in accordance with the accounting policy. Initial capitalisation of costs is based on a judgement as to whether technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, assumptions are taken regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

c) Impairment of non-financial assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing of the asset. Assets are reviewed annually for impairment and written down if appropriate.

5. First-time adoption of IFRS

These financial statements, for the year ended 31 December 2015, are the first the Group has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2014, the Group prepared its financial statements in accordance with UK GAAP.

Accordingly, the Group has prepared financial statements which comply with IFRS applicable for periods ending on or after 31 December 2015, together with the comparative period data as at and for the year ended 31 December 2014, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening statement of financial position was prepared as at 1 January 2014, the Group's date of transition to IFRS. There were no financial adjustments made by the Group in restating its UK GAAP financial statements, as at 1 January 2014 and the financial statements as at and for the year ended 31 December 2014.

6. Revenue

Revenue represents amounts derived from the provision of property development and property management services stated net of discounts, rebates and value added tax. The Group operates within the United Kingdom, Ireland, a number of different markets within Continental Europe, and China. All operations are continuing.

7. Segment information

For management purposes, the Group operates as a single segment, providing property development and management services to shopping Villages.

8. Operating profit

	2015	2014
	£000	£000
Included in cost of sales:		
Depreciation of fixed assets	91	113
Operating lease rentals	1,204	1,134
Auditor's remuneration:		
Audit – Company	113	77
Audit – subsidiaries	240	265
Other services	156	129

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. Employee benefits expenses

	2015 £000	2014 £000
Included in cost of sales:		
Salaries	46,046	41,210
Social security costs	8,005	7,271
Pension contributions	2,045	1,642
Included in administrative expenses:		
Salaries	912	107
Social security costs	124	12
Pension contributions	38	4
Total employee benefits expense	57,170	50,246
	No.	No.
Average number of employees	625	586

The remuneration of the Directors, who are the key management of the Group, is set out below in aggregate.

	2015 £000	2014 £000
Salaries and short-term benefits	3,116	2,176
Post-employment benefits	37	30
Total remuneration	3,153	2,206
	2015 £000	2014 £000
In respect of the highest paid director:		
Aggregate emoluments in respect of qualifying services	1,537	947
Contributions to money purchase pension schemes	37	30
	1,574	977

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Finance income

	2015 £000	2014 £000
Bank interest	37	39
Interest receivable on loans to shareholders and related parties	1,664	6,283
Total interest income	1,701	6,322
Other income including foreign exchange gains	533	784
Total finance income	2,234	7,106

11. Finance costs

	2015 £000	2014 £000
Bank interest	20	25
Dividends on preference shares at 8.00p (2014: 8.00p) per share	160	160
Interest payable on loans from shareholders and related parties	116	4,563
Total interest expense	296	4,748
Other charges including foreign exchange losses	1,024	564
Total finance costs	1,320	5,312

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. Taxation

a) Consolidated income statement

The major components of income tax expense for the years ended 31 December 2015 and 2014 are:

	2015 £000	2014 £000
<i>Current income tax:</i>		
Current income tax charge	1,383	1,921
Adjustments in respect of income tax of previous year	148	197
	<hr/> 1,531	<hr/> 2,118
<i>Deferred tax:</i>		
Origination and reversal of timing differences	474	6
	<hr/> 2,005	<hr/> 2,124
Income tax expense reported in the income statement	<hr/> <hr/>	<hr/> <hr/>

b) Factors affecting the tax charge for the year

The tax charge arising on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK which was 20.25% (2014: 21.5%). A reconciliation between tax expense and the product of accounting profit multiplied by the tax rate for the years ended 31 December 2015 and 2014 is as follows:

	2015 £000	2014 £000
Accounting profit before income tax	<hr/> 5,798	<hr/> 6,781
Profit on ordinary activities multiplied by the rate of corporation tax in the UK of 20.25% for the year (2014: 21.5%)	1,174	1,458
Effects of:		
Disallowed expenses	587	321
Non-taxable income	(78)	-
Differences in overseas tax rates	174	148
Adjustments in respect of prior years	148	197
	<hr/> 2,005	<hr/> 2,124
At the effective income tax rate of 34.6% (2014: 31.3%)	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**12. Taxation (continued)****c) Current and deferred tax movements**

	1 January 2015 £000	Recognised in year £000	Tax paid £000	31 December 2015 £000
Current tax liability	(882)	(1,531)	1,953	(460)
Deferred tax assets	508	(474)	-	34
	<u>(374)</u>	<u>(2,005)</u>	<u>1,953</u>	<u>(426)</u>
Analysed as:				
- Current liabilities – tax	(882)			(460)
- Non-current assets – deferred tax	508			34
	<u>(374)</u>			<u>(426)</u>
	1 January 2014 £000	Recognised in year £000	Tax paid £000	31 December 2014 £000
Current tax liability	(1,169)	(2,118)	2,405	(882)
Deferred tax assets	514	(6)	-	508
	<u>(655)</u>	<u>(2,124)</u>	<u>2,405</u>	<u>(374)</u>
Analysed as:				
- Current liabilities – tax	(1,169)			(882)
- Non-current assets – deferred tax	514			508
	<u>(655)</u>			<u>(374)</u>

No deferred tax is recognised on the unremitted earnings of overseas subsidiaries. This is because the Group has no liability to additional taxation, should such amounts be remitted, due to the availability of double taxation relief.

13. Other comprehensive expense

	2015 £000	2014 £000
Foreign exchange translation differences	<u>(673)</u>	<u>(913)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. Tangible fixed assets

GROUP	Plant & equipment £000
COST	
At 1 January 2014	1,302
Exchange adjustments	(87)
Additions	79
Disposals	(5)
At 31 December 2014	1,289
Exchange adjustments	(60)
Additions	1,764
Disposals	(9)
At 31 December 2015	2,984
DEPRECIATION	
At 1 January 2014	987
Exchange adjustments	(66)
Provided during the year	113
At 31 December 2014	1,034
Exchange adjustments	(46)
Provided during the year	91
Disposals	(4)
At 31 December 2015	1,075
NET BOOK VALUE	
At 31 December 2015	1,909
At 31 December 2014	255
At 1 January 2014	315

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Intangible fixed assets

	Website £000	Software £000	Total £000
COST			
At 1 January and 31 December 2014	-	-	-
Additions	1,000	2,282	3,282
At 31 December 2015	1,000	2,282	3,282
DEPRECIATION			
At 1 January, 31 December 2014 and 31 December 2015	-	-	-
NET BOOK VALUE			
At 31 December 2015	1,000	2,282	3,282
At 1 January and 31 December 2014	-	-	-

These assets were under construction at 31 December 2015.

16. Investments

	2015 £000	2014 £000	As at 1 January 2014 £000
Investments	35	35	28

Investments comprise a 0.1% investment in Value Retail (Suzhou) Co. Ltd.

The Company also holds a 50% investment in Value Retail China Ltd, held at cost of nil.

17. Trade receivables and other assets

	2015 £000	2014 £000	As at 1 January 2014 £000
Trade receivables	1,280	488	600
Receivables due from related parties	31,360	37,323	73,742
VAT and other taxes	1,937	960	936
Other debtors	2,471	3,192	2,500
	37,048	41,963	77,778
Prepayments and accrued income	11,635	8,222	4,415
Other current financial assets	14,365	144,072	93,017
	63,048	194,257	175,210

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**17. Trade receivables and other assets (continued)**

Trade receivables are not interest bearing and are typically due within 30 days. None of the balance was older than 60 days in either the current or the prior year.

Receivables due from related parties are repayable on demand, though it is possible that some portion may be repaid in more than one year.

VAT and other taxes principally comprises VAT receivable.

Other debtors principally comprises employee loans of £1.4m (2014: £1.4m).

Prepayments and accrued income includes £9.5m (2014: £5.6m) accrued income for services provided to Villages in China and £2.1m (2014: £2.6m) for prepayments of supplier services.

Other current financial assets comprise loans due from related parties which are repayable on demand.

18. Cash and cash equivalents

	2015	2014	As at
	£000	£000	1 January 2014
			£000
Cash at banks and in hand	13,651	10,713	9,928
Short term deposits	7,500	-	2,000
	<u>21,151</u>	<u>10,713</u>	<u>11,928</u>

Short term deposits are investments in AAA rated funds structured as open-ended investment companies with a constant net asset value. They invest in a diversified pool of highly rated money market securities and offer investors same-day access to their cash.

19. Issued capital*Authorised shares*

	2015	2014	As at
	£000	£000	1 January 2014
			£000
2,750,000 'A' Ordinary Shares of £1 each	2,750	2,750	2,750
750,000 'B' Ordinary Shares of £1 each	750	750	750
1,425,000 'C' Ordinary Shares of £1 each	1,425	1,425	1,425
75,000 'D' Ordinary Shares of £1 each	75	75	75
Total ordinary shares	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
2,000,000 8% Preference Shares of £1 each (classified as a liability)	2,000	2,000	2,000
Total authorised shares	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>

The 8% Preference Shares had an annual dividend which became payable on 31 December 2005. There were no voting rights attached to the Preference Shares, however they held priority over other classes of shares in the event of a return of capital on liquidation. They were redeemed on 10 March 2016.

The dividends payable on the preference shares of £160,000 (2014: £160,000) are included within finance costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**19. Issued capital (continued)***Issued and fully paid*

'A' Shares	'B' Shares	'C' Shares	'D' Shares	Total
£000	£000	£000	£000	£000
283	48	382	56	769

These balances were the same at 1 January 2014, 31 December 2014 and 31 December 2015. All other reserves are as stated in the consolidated statement of changes in equity.

20. Financial liabilities

These comprise the following:

	2015	2014	As at
	£000	£000	1 January 2014
			£000
Current liabilities			
8% Preference shares	2,000	2,000	2,000

Please refer to note 19, and to note 25 regarding financial risk management.

21. Other current liabilities

	2015	2014	As at
	£000	£000	1 January 2014
			£000
Trade payables	7,059	7,191	7,698
Preference dividend payable (see note 19)	1,924	1,764	1,604
VAT and other taxes	7,586	7,357	5,859
Other payables	2,744	2,414	1,725
Accruals and deferred income	15,047	10,624	6,814
Trade and other payables	34,360	29,350	23,700
Amounts owed to related parties	8,908	133,984	129,366
Amounts owed to shareholders	5,689	4,630	582
Income tax payable	460	882	1,169
	49,417	168,846	154,817

Trade payables are non-interest bearing and are normally settled on 30 days end of month terms. Other payables are non-interest bearing and have an average term of 30 to 60 days. Outstanding amounts in respect of the defined contribution pension scheme payable at the balance sheet date were £0.4 million (2014: £0.2 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

22. Fair values of financial instruments

The fair values of borrowings (there are no currency or interest rate swaps), together with their book value included in the balance sheet are as follows:

	2015		2014	
	Book value £000	Fair value £000	Book value £000	Fair value £000
Borrowings	2,000	2,000	135,264	135,264

At 31 December 2015 and 31 December 2014 the fair value of financial instruments equalled their book value, as demonstrated by their redemption at book value on 10 March 2016.

The fair values of the Group's borrowings have been estimated on the basis of quoted market prices, representing Level 1 and 2 fair value measurements as defined by IFRS 7, Financial Instruments: Disclosures. The fair values of the Group's outstanding interest rate swaps have been estimated by calculating the present value of future cash flows, using appropriate market discount rates, representing Level 2 fair value measurements as defined by IFRS 7.

Details of the Group's cash and short-term deposits are set out in note 18. Their fair values and those of other financial assets and liabilities equate to their book values. Details of the Group's receivables are set out in note 17. The amounts are presented net of allowances for doubtful receivables and allowances for impairment are made when appropriate.

23. Related party disclosures

Subsidiaries and investments

The Group financial statements include the subsidiaries listed below:

Name of subsidiary undertaking	Country of incorporation/ registered office	% equity interest		
		2015	2014	As at 1 January 2014
Value Retail Management Limited	UK	100%	100%	100%
Value Retail Management (Bicester Village) Limited	UK	100%	100%	100%
Value Retail Europe Limited	UK	100%	100%	100%
Value Retail Development Limited	UK	100%	100%	100%
Value Retail (International) Ltd	UK	100%	100%	100%
Watchplan Limited	UK	100%	100%	100%
Value Retail Management Germany GmbH	Germany	100%	100%	100%
Value Retail Management (Wertheim Village) GmbH	Germany	100%	100%	100%
Value Retail Management (Ingolstadt Village) GmbH	Germany	100%	100%	100%
Value Retail Management Spain, S.L.	Spain	100%	100%	100%
Value Retail Management France SARL	France	100%	100%	100%
Value Retail Management Belgium N.V.	Belgium	100%	100%	100%
Value Retail Management (Kildare Village) Limited	Ireland	100%	100%	100%
Value Retail Management Italy S.r.l.	Italy	100%	100%	100%
Value Retail Management (Fidenza Village) S.r.l.	Italy	100%	100%	100%

Value Retail Management Limited, Value Retail Europe Limited, Value Retail (International) Limited and Watchplan Limited are directly owned by Value Retail PLC. The remaining companies are indirectly held through various subsidiaries within the Group.

In addition, the Company holds a 0.1% investment in Value Retail (Suzhou) Co. Ltd. and a 50% investment in Value Retail China Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

23. Related party disclosures (continued)

*Related party transactions*a) Joint ventures and associates

Related party transactions with the Group's related parties comprise management fees, interest receivable and loan balances. All transactions with related parties are made on an arms-length basis. The amounts shown below represent the Group's transactions and balances with its related parties.

	2015 £000	2014 £000
Transactions		
Management fee income from related parties	151,376	138,242
Interest income from related parties	1,664	6,333
Management expenses charged by shareholders	(4,193)	(3,992)
Management expenses charged by related parties	(547)	(684)
Interest expense to related parties	(275)	(5,380)
	<hr/>	<hr/>
Balances		
Amounts owed by related parties	55,225	187,087
Amounts owed to shareholders	(9,613)	(8,394)
Amounts owed to related parties	(9,161)	(134,240)
	<hr/>	<hr/>

b) Key management

The remuneration of the Directors, who are the key management of the Group, is set out in note 9.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

24. Commitments and contingencies

Operating lease commitments — Group as lessee

The Group has entered into commercial leases on items of office equipment. These leases have an average life of between three and five years with no renewal option included in the contracts. There are no restrictions placed upon the Group by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2015	2014
	£000	£000
Within one year	1,059	387
After one year but not more than five years	651	820
More than five years	-	175
Total minimum rental payable	1,710	1,382

Financial commitments

The Company is registered for VAT purposes as a part of a group of UK companies which share a common registration number. As a result, it has jointly guaranteed the VAT liability of this group and failure by other members of this group could give rise to additional liabilities for the Company. However, the Directors are of the opinion that no liability is likely to arise from the unlikely event of failure by other members of this group.

25. Financial risk management objectives and policies

The Group has trade and other receivables, receivables from related parties, trade and other payables and cash and short-term deposits that arise directly from its operations. Its financial liabilities comprise preference shares (see notes 19 and 20).

The Group is exposed to credit risk and foreign currency risk.

Credit risk

The Group's principal financial assets are bank and cash balances, short-term deposits, and receivables due from related parties. The Group's credit risk is attributable to its receivables from related parties, cash and short-term deposits.

Related party receivables are primarily due from the entities operating the Villages. Their performance is carefully monitored by Management.

Other debtors include VAT receivables. These items do not give rise to significant credit risk.

The credit risk on short-term deposits is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. At 31 December 2015, the Group's maximum exposure to credit risk of this nature was £21.2 million (2014: £10.7 million).

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group assesses the extent of its foreign currency risk and will consider measures such as hedging, should this be considered to be appropriate.

COMPANY STATEMENT OF FINANCIAL POSITION
as at 31 December 2015

	Note	2015 £000	2014 £000
ASSETS			
Non-current assets			
Tangible fixed assets	28	1,687	-
Intangible fixed assets	29	3,282	-
Investments	30	45	42
Deferred tax asset	31	34	508
		<hr/>	<hr/>
		5,048	550
Current assets			
Trade and other receivables	32	5,392	3,889
Prepayments and accrued income	32	11,272	7,719
Other current financial assets	33	22,751	160,323
Cash and cash equivalents	34	13,698	3,612
		<hr/>	<hr/>
		53,113	175,543
		<hr/>	<hr/>
TOTAL ASSETS		58,161	176,093
EQUITY AND LIABILITIES			
Equity			
Issued capital	19	769	769
Retained earnings brought forward		21,979	18,660
Result for the year		2,322	3,319
		<hr/>	<hr/>
Total equity		25,070	22,748
Current liabilities			
8% preference shares	19, 20	2,000	2,000
Trade and other payables	35	16,494	12,306
Amounts owed to related parties	35	8,908	133,984
Amounts owed to shareholders	35	5,689	4,630
Income tax payable	35	-	425
		<hr/>	<hr/>
Total liabilities		33,091	153,345
		<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES		58,161	176,093
		<hr/>	<hr/>

Approved and signed on behalf of the Board of Directors

Director

20 June 2016

NOTES TO THE COMPANY FINANCIAL STATEMENTS

26. Accounting Policies

Although the consolidated Group financial statements are prepared under IFRS, the Value Retail PLC company financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The basis of preparation and accounting policies relevant to the Company are the same as those set out for the Group in notes 1 and 2.

In adopting FRS 101 the Company has taken the following disclosure exemptions:

- a) the requirements of IFRS 7: Financial Instruments: Disclosures;
- b) the requirement in paragraph 38 of IAS 1: Presentation of Financial Statements to present comparative information in respect of:
 - i) Paragraph 79(a)(iv) of IAS 1;
 - ii) Paragraph 73(e) of IAS 16, Property, Plant and Equipment;
 - iii) Paragraph 118(e) of IAS 38, Intangible Assets;
- c) the requirements of IAS 7, Statement of Cash Flows;
- d) the requirements of paragraphs 30 and 31 of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors;
- e) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1, Presentation of Financial Statements;
- f) the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36, Impairment of Assets;
- g) the requirements of paragraph 17 of IAS 24, Related Party Disclosures; and
- h) the requirements in IAS 24, Related Party Disclosures, to disclose related party transactions entered into between two or more members of the group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

27. Profit for the year

As permitted by section 408 of the Companies Act 2006, the income statement of the Company is not presented as part of these financial statements. The profit for the year attributable to equity shareholders dealt with in the financial statements of the Company was £2.3 million (2014: £3.3 million). No dividend was declared in either the current or prior year.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

28. Tangible fixed assets

COMPANY	Plant & equipment £000
COST	
At 1 December 2014 and 31 December 2014	-
Additions	1,687
At 31 December 2015	1,687
DEPRECIATION	
At 1 December 2014, 31 December 2014 and 31 December 2015	-
NET BOOK VALUE	
At 31 December 2015	1,687
At 1 January 2014 and 31 December 2014	-

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

29. Intangible fixed assets

	Website £000	Software £000	Total £000
COST			
At 1 January and 31 December 2014	-	-	-
Additions	1,000	2,282	3,282
At 31 December 2015	1,000	2,282	3,282
DEPRECIATION			
At 1 January, 31 December 2014 and 31 December 2015	-	-	-
NET BOOK VALUE			
At 31 December 2015	1,000	2,282	3,282
At 1 January and 31 December 2014	-	-	-

These assets were under construction at 31 December 2015.

30. Investments

	2015 £000	2014 £000	As at 1 January 2014 £000
Other investments	35	35	28
Shares in subsidiary undertakings	10	7	7
	45	42	35

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)**30. Investments (continued)**

Details of the investments in which the Company holds ordinary shares are as follows:

Name of subsidiary undertaking	Country of incorporation/ registered office	Proportion of voting rights and shares held	Nature of business
Value Retail Management Limited	UK	100%	Property Services
Value Retail Management (Bicester Village) Limited	UK	100%	Property Services
Value Retail Europe Limited	UK	100%	Dormant
Value Retail Development Limited	UK	100%	Property Services
Value Retail (International) Ltd	UK	100%	Property Services
Watchplan Limited	UK	100%	Insurance Services
Value Retail Management Germany GmbH	Germany	100%	Property Services
Value Retail Management (Wertheim Village) GmbH	Germany	100%	Property Services
Value Retail Management (Ingolstadt Village) GmbH	Germany	100%	Property Services
Value Retail Management Spain, S.L.	Spain	100%	Property Services
Value Retail Management France SARL	France	100%	Property Services
Value Retail Management Belgium N.V.	Belgium	100%	Property Services
Value Retail Management (Kildare Village) Limited	Ireland	100%	Property Services
Value Retail Management Italy S.r.l.	Italy	100%	Property Services
Value Retail Management (Fidenza Village) S.r.l.	Italy	100%	Property Services

Value Retail Management Limited, Value Retail Europe Limited, Value Retail (International) Limited and Watchplan Limited are directly owned by Value Retail PLC. The remaining companies are indirectly held through various subsidiaries within the Group.

In addition, the Company holds a 0.1% investment in Value Retail (Suzhou) Co. Ltd. and a 50% investment in Value Retail China Ltd.

31. Deferred tax

	2015	2014	As at 1 January 2014
	£000	£000	£000
Accelerated depreciation	34	44	50
Other timing differences	-	464	464
	<u>34</u>	<u>508</u>	<u>514</u>

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

32. Trade receivables and other assets

	2015	2014	As at
	£000	£000	1 January 2014
			£000
Trade receivables	929	56	291
Receivables due from related parties	831	1,269	1,585
VAT and other taxes	1,870	928	899
Other debtors	1,762	1,636	1,668
	<hr/>	<hr/>	<hr/>
	5,392	3,889	4,443
Prepayments and accrued income	11,272	7,719	4,008
Other current financial assets (note 33)	22,751	160,323	146,206
	<hr/>	<hr/>	<hr/>
	39,415	171,931	154,657
	<hr/>	<hr/>	<hr/>

Trade receivables are not interest bearing and are typically due within 30 days. None of the balance was older than 60 days in either the current or the prior year.

Receivables due from related parties are repayable on demand, though it is possible that some portion may be repaid in more than one year.

VAT and other taxes principally comprises VAT receivable.

Other debtors principally comprises employee loans of £1.4m (2014: £1.4m).

Prepayments and accrued income includes £9.5m (2014: £5.6m) accrued income for services provided to Villages in China and £1.8m (2014: £2.1m) for prepayments of supplier services.

33. Other current financial assets

	2015	2014	As at
	£000	£000	1 January 2014
			£000
Other current financial assets	14,365	144,072	93,017
Amounts due from Group companies	8,386	16,251	53,189
	<hr/>	<hr/>	<hr/>
	22,751	160,323	146,206
	<hr/>	<hr/>	<hr/>

Loans due from related parties are repayable on demand.

NOTES TO THE COMPANY FINANCIAL STATEMENTS (continued)

34. Cash and cash equivalents

	2015 £000	2014 £000	As at 1 January 2014 £000
Cash at banks and in hand	6,198	3,612	4,267
Short term deposits	7,500	-	2,000
	<u>13,698</u>	<u>3,612</u>	<u>6,267</u>

Short term deposits are investments in AAA rated funds structured as open-ended investment companies with a constant net asset value. They invest in a diversified pool of highly rated money market securities and offer investors same-day access to their cash.

35. Other current liabilities

These include the following:

	2015 £000	2014 £000	As at 1 January 2014 £000
Trade payables	2,824	2,255	1,750
Preference dividend payable (see note 19)	1,924	1,764	1,604
VAT and other taxes	1,706	1,098	999
Other payables	375	482	101
Accruals and deferred income	9,585	6,673	3,260
Amounts due to group undertakings	80	34	56
	<u>16,494</u>	<u>12,306</u>	<u>7,770</u>
Trade and other payables	16,494	12,306	7,770
Amounts owed to related parties	8,908	133,984	129,421
Amounts owed to shareholders	5,689	4,630	2,186
Income tax payable	-	425	666
	<u>31,091</u>	<u>151,345</u>	<u>140,043</u>

Trade payables are non-interest bearing and are normally settled on 30 days end of month terms. Other payables are non-interest bearing and have an average term of 30 to 60 days. Outstanding amounts in respect of the defined contribution pension scheme payable at the balance sheet date were £0.4 million (2014: £0.2 million).