

Registration number: 04652597

Mitton Aftercare Limited

Annual Report and Financial Statements

for the Year Ended 31 January 2017

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Mitton Aftercare Limited

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Mitton Aftercare Limited

Company Information

Directors	S M Taylor G Hawe N Burns
Registered office	Ronnie Hellewell House 451 Cleckheaton Road Low Moor Bradford West Yorkshire BD12 0HS
Solicitors	Walker Morris King's Court 12 King Street Leeds West Yorkshire LS1 2HL
Auditors	Watson Buckle Limited Statutory Auditor & Chartered Accountants York House Cottingley Business Park Bradford West Yorkshire BD16 1PE

Mitton Aftercare Limited

Strategic Report for the Year Ended 31 January 2017

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

Principal activity

The principal activity of the company is the maintenance and servicing of heating and ventilation systems.

Fair review of the business

The maintenance and services arm of the H Mitton Limited group is Mitton Aftercare Limited.

The directors have continued to work hard to maintain turnover and profit margins and despite the continuing tough economic climate, are pleased to report that turnover has increased by 8.8% (2016 – decrease of 5.1%). An operating profit margin of 1.7% was generated (2016 - 2.1%). The performance of the company is a direct result of the variation in demands of the company's principal client, Wm. Morrison Supermarkets PLC.

Regardless of the challenging economic climate the directors believe that the company is in a strong position to compete within the industry and the Mitton group continues to develop its reputation through its dedicated workforce which delivers the very best customer service.

Principal risks and uncertainties

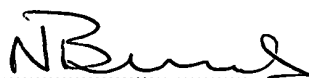
The business' principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility by using overdrafts at floating rates of interest. The business' cash balances are held in such a way to achieve the most competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

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

Approved by the Board on 26 October 2017 and signed on its behalf by:



N Burns
Director

Mitton Aftercare Limited

Directors' Report for the Year Ended 31 January 2017

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

Directors of the company

The directors who held office during the year were as follows:

S M Taylor

G Hawe

N Burns

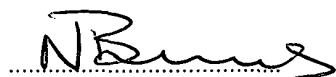
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors Watson Buckle Limited are deemed to be reappointed as auditors under section 487(2) of the Companies Act 2006.

Approved by the Board on 26 October 2017 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'N Burns', written over a dotted line.

N Burns

Director

Mitton Aftercare Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

Mitton Aftercare Limited

Independent Auditor's Report to the Members of Mitton Aftercare Limited

We have audited the financial statements of Mitton Aftercare Limited for the year ended 31 January 2017, set out on pages 7 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Statement of Directors' Responsibilities (set out on page 4), 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 (APB's) Ethical Standards for Auditors to the financial statements.

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 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 the 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 January 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, based on the work undertaken in the course of the audit:

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

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

Mitton Aftercare Limited

Independent Auditor's Report to the Members of Mitton Aftercare Limited

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.



Mark Wilcock FCA (Senior Statutory Auditor)
For and on behalf of Watson Buckle Limited
Statutory Auditors & Chartered Accountants
Bradford

26 October 2017

Mitton Aftercare Limited

Profit and Loss Account for the Year Ended 31 January 2017

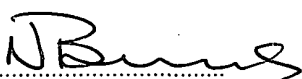
	Note	2017 £	2016 £
Turnover	3	18,446,878	16,947,191
Cost of sales		<u>(15,054,508)</u>	<u>(12,104,109)</u>
Gross profit		3,392,370	4,843,082
Administrative expenses		<u>(3,087,798)</u>	<u>(4,493,640)</u>
Operating profit	4	304,572	349,442
Other interest receivable and similar income	5	<u>3,547</u>	<u>3,792</u>
Profit before tax		308,119	353,234
Taxation	8	<u>(59,529)</u>	<u>(72,297)</u>
Profit for the financial year		<u>248,590</u>	<u>280,937</u>

The notes on pages 10 to 20 form an integral part of these financial statements.

Mitton Aftercare Limited
(Registration number: 04652597)
Balance Sheet as at 31 January 2017

	Note	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	9		935,660		755,436
Current assets					
Stocks	10	693,391		709,005	
Debtors	11	2,723,271		3,999,935	
Cash at bank and in hand		<u>529,903</u>		<u>821,899</u>	
		3,946,565		5,530,839	
Creditors: Amounts falling due within one year	12	<u>(3,668,933)</u>		<u>(5,043,973)</u>	
Net current assets			<u>277,632</u>		<u>486,866</u>
Total assets less current liabilities			1,213,292		1,242,302
Provisions for liabilities	14		<u>(82,000)</u>		<u>(84,000)</u>
Net assets			<u>1,131,292</u>		<u>1,158,302</u>
Capital and reserves					
Called up share capital	16	100		100	
Profit and loss account	17	<u>1,131,192</u>		<u>1,158,202</u>	
Total equity			<u>1,131,292</u>		<u>1,158,302</u>

Approved and authorised by the Board on 26 October 2017 and signed on its behalf by:

.....

N Burns
Director

Mitton Aftercare Limited

Statement of Changes in Equity for the Year Ended 31 January 2017

	Share capital £	Profit and loss account £	Total £
At 1 February 2016	100	1,158,202	1,158,302
Profit before tax for the year	-	308,119	308,119
Corporation tax	-	(61,529)	(61,529)
Deferred tax	-	2,000	2,000
Dividends	-	(275,600)	(275,600)
At 31 January 2017	<u>100</u>	<u>1,131,192</u>	<u>1,131,292</u>

	Share capital £	Profit and loss account £	Total £
At 1 February 2015	100	1,175,065	1,175,165
Profit before tax for the year	-	353,234	353,234
Corporation tax	-	(60,297)	(60,297)
Deferred tax	-	(12,000)	(12,000)
Dividends	-	(297,800)	(297,800)
At 31 January 2016	<u>100</u>	<u>1,158,202</u>	<u>1,158,302</u>

The notes on pages 10 to 20 form an integral part of these financial statements.

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Ronnie Hellewell House
451 Cleckheaton Road
Low Moor
Bradford
West Yorkshire
BD12 0HS

2 Principal accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Summary of disclosure exemptions

The company has taken advantage of the exemption to prepare a Statement of Cash Flows in accordance with FRS102 section 1.12.

The company has taken advantage of the exemption under Section 33 Related Party disclosures from disclosing transactions and balances with fellow group undertakings that are wholly owned.

Name of parent of group

These financial statements are consolidated into the financial statements of H Mitton Limited.

The financial statements of H Mitton Limited may be obtained from Companies House, Crown House, Crown Way, Cardiff, CF14 3UZ.

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

Key sources of estimation uncertainty

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets and their carrying amount is determined by the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually and amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

The net carrying amount is £935,660 (2016 -£755,436).

Impairment of debtors

The company makes an estimate of the recoverable value of trade debtors. When assessing the impairment of trade debtors, management considers factors which include the current credit rating of the debtor, the ageing profile of debtors and historical experience. The net carrying amount is £1,008,687 (2016 -£3,455,216).

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Revenue recognised from the rendering of services is calculated as a proportion of total contract value which costs incurred to date bear to total expected costs for that contract.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives.

If there is an indication that there has been a significant change in estimated useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Depreciation is charged as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	15% reducing balance / 20% straight line
Motor vehicles	25% reducing balance
Plant and machinery	10% reducing balance

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension plans

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar asset. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss and any subsequent reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2017 £	2016 £
Rendering of services	<u>18,446,878</u>	<u>16,947,191</u>

4 Operating profit

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	228,622	184,499
(Profit)/loss on disposal of fixed assets	<u>(491)</u>	<u>9,758</u>

5 Other interest receivable and similar income

	2017 £	2016 £
Interest income on bank deposits	<u>3,547</u>	<u>3,792</u>

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2017 £	2016 £
Wages and salaries	6,334,444	6,777,291
Social security costs	676,315	559,099
Pension costs, defined contribution scheme	190,479	163,384
	<u>7,201,238</u>	<u>7,499,774</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Production	146	123
Administration and support	27	30
	<u>173</u>	<u>153</u>

7 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>11,450</u>	<u>13,075</u>

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

8 Taxation

Tax charged/(credited) in the profit and loss account

	2017 £	2016 £
Current taxation		
UK corporation tax	62,000	60,000
UK corporation tax adjustment to prior periods	<u>(471)</u>	<u>297</u>
	<u>61,529</u>	<u>60,297</u>
Deferred taxation		
Arising from origination and reversal of timing differences	2,207	27,513
Arising from changes in tax rates and laws	(4,207)	-
Arising from a prior year over provision	<u>-</u>	<u>(15,513)</u>
Total deferred taxation	<u>(2,000)</u>	<u>12,000</u>
Tax expense in the profit and loss account	<u>59,529</u>	<u>72,297</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2016 - the same as the standard rate of corporation tax in the UK) of 20% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Profit before tax	<u>308,119</u>	<u>353,234</u>
Corporation tax at standard rate	61,624	70,647
Change in corporation tax rates	-	478
Disallowable expenses for corporation tax	6,131	17,101
Deferred tax expense (credit) relating to changes in tax rates or laws	(4,207)	-
Deferred tax for prior year over provision	-	(15,513)
Corporation tax prior year under provision	(471)	297
Corporation tax effect of marginal rates	-	(83)
Deferred tax effect from other timing differences	<u>(3,548)</u>	<u>(630)</u>
Total tax charge	<u>59,529</u>	<u>72,297</u>

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

Deferred tax

Deferred tax assets and liabilities

	Liability £
2017	
Accelerated capital allowances	85,269
Other timing differences	(3,269)
	<u>82,000</u>
2016	
Accelerated capital allowances	84,132
Other timing differences	(132)
	<u>84,000</u>

The amount of the net reversal of deferred tax assets and deferred tax liabilities expected to occur during the year beginning after the reporting period is £27,000. This being the reversal of depreciation in excess of capital allowances.

9 Tangible assets

	Fixtures and fittings £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 February 2016	275,700	1,306,673	75,463	1,657,836
Additions	7,439	406,906	-	414,345
Disposals	-	(78,555)	-	(78,555)
At 31 January 2017	<u>283,139</u>	<u>1,635,024</u>	<u>75,463</u>	<u>1,993,626</u>
Depreciation				
At 1 February 2016	175,664	682,237	44,499	902,400
Charge for the year	19,355	206,172	3,096	228,623
Eliminated on disposal	-	(73,057)	-	(73,057)
At 31 January 2017	<u>195,019</u>	<u>815,352</u>	<u>47,595</u>	<u>1,057,966</u>
Carrying amount				
At 31 January 2017	<u>88,120</u>	<u>819,672</u>	<u>27,868</u>	<u>935,660</u>
At 31 January 2016	<u>100,036</u>	<u>624,436</u>	<u>30,964</u>	<u>755,436</u>

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

10 Stocks

	2017 £	2016 £
Raw materials and consumables	617,972	584,769
Work in progress	75,419	124,236
	<u>693,391</u>	<u>709,005</u>

The cost of stocks recognised as an expense in the year amounted to £14,884,973 (2016 - £11,957,809).

11 Debtors

	2017 £	2016 £
Trade debtors	1,008,687	3,455,216
Amounts owed by related parties	524,776	416,000
Other debtors	7,313	6,958
Prepayments	341,721	27,205
Accrued income	840,774	94,556
	<u>2,723,271</u>	<u>3,999,935</u>

12 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	13	1,006,453	1,640,337
Trade creditors		1,809,109	1,852,563
Amounts due to related parties		-	450,925
Social security and other taxes		419,657	531,441
Outstanding defined contribution pension costs		27,321	21,398
Accrued expenses		344,393	317,309
Corporation tax liability		62,000	60,000
Dividends payable	19	-	170,000
		<u>3,668,933</u>	<u>5,043,973</u>

13 Loans and borrowings

	2017 £	2016 £
Current loans and borrowings		
Other borrowings	<u>1,006,453</u>	<u>1,640,337</u>

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

14 Deferred tax and other provisions

	Deferred tax £
At 1 February 2016	84,000
Increase (decrease) in existing provisions	<u>(2,000)</u>
At 31 January 2017	<u>82,000</u>

15 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £190,479 (2016 - £163,384).

Contributions totalling £27,321 (2016 - £21,398) were payable to the scheme at the end of the year and are included in creditors.

16 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

All shares rank pari passu for income, capital and voting rights.

17 Reserves

Share capital

Represents the nominal value of issued shares.

Profit and loss account

Includes all current and prior period distribution profits and losses.

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

18 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	92,812	60,550
Later than one year and not later than five years	33,970	92,193
	<u>126,782</u>	<u>152,743</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £101,804 (2016 - £54,620).

19 Dividends

	2017 £	2016 £
Current year interim dividend paid	275,600	127,800

The directors voted a final dividend of £Nil (2016 - £1,700) per share totalling £Nil (2016 - £170,000). This dividend has been accrued in the Balance Sheet.

20 Contingent liabilities

The company made contributions to an Employer Financed Retirement Benefit Scheme in previous accounting periods. DOTAS numbers have been allocated to these contributions and HMRC have raised an enquiry on these contributions. The directors believe that the planning remains technically sound and it is their intention to pursue this matter with HMRC, therefore at this stage the directors do not consider that there should be a provision for any resulting tax liability in the financial statements.

21 Related party transactions

Key management personnel

Other than the directors there are no other key management personnel.

Summary of transactions with key management

No interest is charged on the key management loan account balances.

Summary of transactions with other related parties

Other related parties include transactions with companies which have common shareholders and related family members.

Mitton Aftercare Limited

Notes to the Financial Statements for the Year Ended 31 January 2017

Income and receivables from related parties

	Other related parties £
2017	
Sale of goods	394,695
Amounts receivable from related party	<u>394,695</u>
2016	

Expenditure with and payables to related parties

	Key management £	Other related parties £
2017		
Rendering of services	-	21,627
Amounts payable to related party	<u>1,006,453</u>	<u>-</u>
2016		
Rendering of services	-	31,169
Amounts payable to related party	<u>1,640,337</u>	<u>-</u>

22 Financial instruments

Categorisation of financial instruments

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost	2,911,453	4,794,629
Financial liabilities measured at amortised cost	(2,668,933)	(5,043,973)

23 Parent and ultimate parent undertaking

The company's immediate parent is H Mitton Limited, incorporated in England & Wales. The address is: Mackenzie House, 451 Cleckheaton Road, Low Moor, Bradford, BD12 0HS.

The ultimate controlling party is S M Taylor.