

Chartered Accountants & Statutory Auditors

**REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019
FOR
DRE GROUP LIMITED**



Directors:

Roger PLATT
FCA

Darrell WEIGHTMAN
FMAAT ATT FFTA

Antony HUMPHREYS
FCA

Company number 08674789 Registered in England VAT number 169 575 652
Registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales.
Details about our audit registration can be viewed at www.auditregister.org.uk for the UK under reference
number C003689013

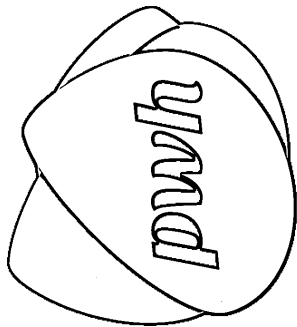


PWH Accountancy Ltd
The Counting House
High Street
Lutterworth
Leicestershire LE17 4AY

T 01455 243 773
E info@PWHaccountancy.com

www.PWHaccountancy.com

Accountancy, Taxation Compliance, Business Start up, Payroll, Tax
Planning, Statutory Audit, Business Development, Wealth Management
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DRE GROUP LIMITED

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3
Consolidated Income Statement	6
Consolidated Balance Sheet	7
Company Balance Sheet	8
Notes to the Consolidated Financial Statements	9

DRE GROUP LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2019

DIRECTORS:

D R England
S J England
Mrs S Paice

SECRETARY:

Mrs S M England

REGISTERED OFFICE:

High Cross Building
Lancaster Road
Hinckley
Leicestershire
LE10 0AW

REGISTERED NUMBER:

05332710 (England and Wales)

AUDITORS:

PWH Accountancy Ltd
The Counting House
High Street
Lutterworth
Leicestershire
LE17 4AY

DRE GROUP LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2019

The directors present their report with the financial statements of the company and the group for the year ended 31 January 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2018 to the date of this report.

D R England
S J England
Mrs S Paice

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, PWH Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
S A Paice - Director

Date: 25th October 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DRE GROUP LIMITED

Opinion

We have audited the financial statements of DRE Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2019 which comprise the consolidated income statement and the consolidated and parent company balance sheets and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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.

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 January 2019, and of the group's profit for the year then ended;*
- *have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and*
- *have been prepared in accordance with the requirements of the Companies Act 2006.*

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

[continued ...]

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DRE GROUP LIMITED (continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report and the]³ directors' report.

We have nothing to report in respect of the following matters in relation to which 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;*
- *we have not received all the information and explanations we require for our audit; or*
- *the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.*

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DRE GROUP LIMITED (continued)**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Roger A Platt FCA (Senior Statutory Auditor)
PWH Accountancy Ltd
The Counting House
High Street
Lutterworth
Leicestershire
LE17 4AY

Date: 25th October 2019

DRE GROUP LIMITED
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2019

	Notes	2019 £	£	2018 £	£
TURNOVER			2,655,026		2,858,112
Cost of sales			<u>1,278,726</u>		<u>1,757,625</u>
GROSS PROFIT			1,376,300		1,000,487
Distribution costs		296,765		274,667	
Administrative expenses		<u>774,507</u>		<u>466,667</u>	
			<u>1,071,272</u>		<u>741,334</u>
			305,028		359,153
Other operating (charges)/income			<u>266,780</u>		<u>(29,372)</u>
OPERATING PROFIT/(LOSS)	4		571,808		329,781
Gain/(loss) on revaluation of investments			<u>-</u>		<u>(1,300)</u>
			571,808		331,081
Interest payable and similar expenses			<u>153,967</u>		<u>162,337</u>
PROFIT BEFORE TAXATION			417,841		168,744
Tax on profit/(loss)			<u>(60,024)</u>		<u>(1,195)</u>
PROFIT FOR THE FINANCIAL YEAR			<u>477,865</u>		<u>169,939</u>

CONSOLIDATED BALANCE SHEET
31 JANUARY 2019

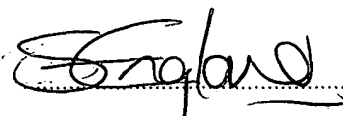
	Notes	2019 £	2018 £
FIXED ASSETS			
Intangible assets	6	175,001	175,001
Tangible assets	7	-	-
Investment property	8	<u>6,636,313</u>	<u>6,636,313</u>
		6,811,314	6,811,314
CURRENT ASSETS			
Stocks		704,674	746,933
Debtors	9	538,397	452,239
Cash at bank and in hand		<u>481,754</u>	<u>196,826</u>
		1,724,825	1,395,998
CREDITORS			
Amounts falling due within one year	11	<u>788,190</u>	<u>711,656</u>
NET CURRENT ASSETS		<u>936,635</u>	<u>684,342</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,747,949	7,495,656
CREDITORS			
Amounts falling due after more than one year	12	(2,368,431)	(2,517,086)
PROVISIONS FOR LIABILITIES		<u>(14,856)</u>	<u>(91,773)</u>
NET ASSETS		<u><u>5,364,662</u></u>	<u><u>4,886,797</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	11,000	11,000
Share premium		2,474,977	2,474,977
Other reserves		692,713	692,713
Retained earnings		<u>2,185,972</u>	<u>1,708,107</u>
SHAREHOLDERS' FUNDS		<u><u>5,364,662</u></u>	<u><u>4,886,797</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 25th October 2019 and were signed on its behalf by:



S A Paice – Director




S J England - Director

COMPANY BALANCE SHEET
31 JANUARY 2019


	Notes	2019 £	2018 £
FIXED ASSETS			
Investments	10	17,708	17,608
CURRENT ASSETS			
Debtors	9	1,405,634	1,362,926
Cash at bank		<u>2,239</u>	<u>6,211</u>
		1,407,873	1,369,137
CREDITORS			
Amounts falling due within one year	11	<u>2,079,733</u>	<u>2,085,300</u>
NET CURRENT LIABILITIES		<u>(671,860)</u>	<u>(716,163)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(654,152)</u>	<u>(698,455)</u>
CAPITAL AND RESERVES			
Called up share capital	14	11,000	11,000
Share premium		1,214,720	1,214,720
Retained earnings		<u>(1,879,872)</u>	<u>(1,924,175)</u>
SHAREHOLDERS' FUNDS		<u>(654,152)</u>	<u>(698,455)</u>
Company's profit/(loss) for the financial year		<u>44,303</u>	<u>95,949</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 25th October 2019 and were signed on its behalf by:



S A Paice - Director



S J England - Director

DRE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

1. STATUTORY INFORMATION

DRE Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiaries, details of which are set out in note 9 to the accounts. The company acted as a holding company for the group and did not trade in its own right. During the year ended 31 January 2015 the group lost effective control of the assets of one its subsidiary companies, as a result of which the subsidiary in question, Croskeep Limited, has been excluded from the consolidation under the provisions of Financial Reporting Standard 2-Accounting for Subsidiary Undertakings and section 409 of the Companies Act 2006.

Critical accounting judgements and key sources of estimation uncertainty

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

Turnover

Revenue comprises the fair value of the consideration received or receivable for the rendering of services in the ordinary course of the group's activities. Revenue is shown net of VAT and trade discounts.

The group 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 group's activities. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	-	15% - 25% on reducing balance
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Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the profit or loss account.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

DRE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

2. ACCOUNTING POLICIES (continued)

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Financial instruments

Financial assets

Receivables are stated at amortised cost using the effective interest rate method. A provision for impairment of receivables is established where there is objective evidence that the company will not be able to collect all amounts due according to the original terms of payment. Receivables are considered for impairment on a case by case basis and any provision is based on the directors' assessment of the amount recoverable on each receivable.

Financial liabilities

The company's financial liabilities include trade and other payables, which are measured at amortised cost using the effective interest rate method. Financial liabilities are recognised when the company becomes a party to the contractual agreements of the instrument. Interest-related charges are recognised as an expense in the period in which they are incurred.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

DRE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

2. ACCOUNTING POLICIES (continued)

Foreign currencies

The financial statements are presented in GBP, being both the company's functional and presentation currency. Transactions denominated in foreign currencies are translated into GBP at the rates of exchange in operation on the dates of the transactions. Monetary assets and liabilities expressed in foreign currencies are translated into GBP at the rates of exchange prevailing at the date of the Statements of Financial Position. Translation differences are dealt with through the Statement of Comprehensive Income in the period in which they arise.

Leases and hire purchase contracts

Payments under operating leases are charged to the profit and loss account in the year in which they are incurred. Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets over their estimated useful economic lives or, if shorter the lease term. The related obligation, net of future charges, are included in creditors falling due within and after more than one year. The interest element of repayments of finance leases and hire purchase contracts is charged to the profit and loss account over the duration of the lease and represents a constant proportion of the capital balance outstanding, so as to produce a constant periodic rate of charge on the net obligations outstanding in each period.

DRE GROUP LIMITED.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2019**

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 47 (2018 48).

The average number of employees by undertakings that are proportionately consolidated during the year was 48 (2018 48).

4. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	<u>35,413</u>	<u>37,526</u>

5. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

6. INTANGIBLE FIXED ASSETS

Group

COST

At 1 February 2018 and 31 January 2019

Goodwill
£
175,001

NET BOOK VALUE

At 31 January 2019

175,001

At 31 January 2018

175,001

DRE GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2019**

7. TANGIBLE FIXED ASSETS

Group

	Plant and machinery etc £
COST	
At 1 February 2018	1,832,732
Additions	2,116
Disposals	<u>(154,967)</u>
At 31 January 2019	<u>1,679,881</u>
DEPRECIATION	
At 1 February 2018	1,832,732
Charge for year	37,536
Eliminated on disposals	<u>(190,387)</u>
At 31 January 2019	<u>1,679,881</u>
NET BOOK VALUE	
At 31 January 2019	<u><u>-</u></u>
At 31 January 2018	<u><u>-</u></u>

8. INVESTMENT PROPERTY

Group

	£
FAIR VALUE	
At 1 February 2018	6,636,313
Additions	-
Revaluations	<u>-</u>
At 31 January 2019	<u>6,636,313</u>
NET BOOK VALUE	
At 31 January 2019	<u><u>6,636,313</u></u>
At 31 January 2018	<u><u>6,636,313</u></u>

DRE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2019

8. INVESTMENT PROPERTY - continued

The group's investment properties were revalued during the year by appropriately qualified professional valuers employed within and outside the group, on the basis of open market value. Surpluses or deficits on revaluation are included within the profit and loss account in accordance with FRS 102.

The historical cost of freehold land and buildings included in this note at a value of £6,636,313 (2018 £6,636,313) was £2,935,813 (2018 £2,935,813).

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	380,183	340,061	-	-
Amounts owed by group undertakings	-	-	1,403,874	1,262,608
Other debtors	158,214	112,178	1,760	-
	<u>538,397</u>	<u>452,239</u>	<u>1,405,634</u>	<u>1,262,608</u>

10. FIXED ASSET INVESTMENTS

	2019	2018
	£	£
Shares in group undertakings:	<u>17,708</u>	<u>17,708</u>

Details of the subsidiary companies are given below. All subsidiaries are owned 100% and the Registered Office is the same as the parent company except for Heat Presses Direct Limited whose Registered Office is The Counting House, High Street, Lutterworth, Leicestershire LE17 4AY.

Company	Activity	Principal Shareholding
Highcross Commercial Investments Limited	Property	10,000 deferred shares of £1 each and 10,000 ordinary shares of \$1 each
Burbage Cleaning Services Limited	Cleaning Contractors	2 Ordinary shares of £1 each and 1 B Ordinary share of £1
DRE Property Services Limited	Property	2 Ordinary shares of £1 each
A Adkins & Sons Limited	Manufacturing	1,500 Ordinary shares of £1 each
Adkins Specialist Inks Limited	Manufacturing	1 Ordinary share of £1
Heat Presses Direct	Machine wholesale	1 Ordinary share of £1
Twycross Estates Limited	Property	1 Ordinary share of £1
Isub Supplies Limited	Manufacturing	100 Ordinary shares of £1 each

DRE GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2019**

10. FIXED ASSET INVESTMENTS (continued)

As set out in note 2 above, and as required under section 409 of the Companies Act 2006 and the provisions of Financial Reporting Standard 2 *Accounting for Subsidiary Undertakings*, Croskeep Limited has been excluded from the group consolidation because of severe long-term restrictions which substantially prohibit the exercise of the rights of the parent company over the assets and management of the company. Its aggregate capital and reserves at 31 January 2019 was a deficit of £16,545,739 (2018 £16,545,739). The company did not trade during 2018 or 2019. An amount of £937,570 (2018 £937,570) is due from Croskeep Limited to group companies, which amount has been provided for in full in these accounts. There is no responsibility or call on any group company in respect of the liabilities of Croskeep Limited.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank loans and overdrafts	176,227	166,598	-	-
Trade creditors	378,248	306,832	-	-
Corporation tax	16,893	19,579	-	-
Obligations under hire purchase contracts	-	6,274	-	-
Amounts owed to group undertakings	-	-	1,999,184	1,996,684
Taxation and social security	44,428	32,326	-	-
Other creditors	86,990	100,421	80,549	88,616
Accruals	85,404	79,626	-	-
	<u>788,190</u>	<u>711,656</u>	<u>2,079,733</u>	<u>2,085,300</u>

DRE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2019

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2019	2018
	£	£
Bank loans	<u>2,368,431</u>	<u>2,517,086</u>

Amounts falling due in more than five years:

	Group	
	2019	2018
	£	£
Repayable by instalments		
Bank loans due after more than 5 years	<u>2,368,431</u>	<u>2,517,086</u>

DRE GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JANUARY 2019

13. SECURED LIABILITIES

Liabilities totalling £2,535,029 (2018 £2,689,958) were secured on the group's assets.

14. Called Up Share Capital

	2019	2018
Authorised	£	£
10,000 'A' ordinary shares of £1 each	10,000	10,000
10,000 'B' ordinary shares of 10p each	1,000	1,000
	<u>11,000</u>	<u>11,000</u>
	=====	=====
Allotted, issued and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000
10,000 'B' ordinary shares of 10p each	1,000	1,000
	<u>11,000</u>	<u>11,000</u>
	=====	=====

During the year ended 31 January 2010 the company's ordinary shares were re-designated as 'A' ordinary shares. 10,000 'B' ordinary shares of 10p were issued at par to provide the company with additional working capital and facilitate changes to the ownership of the company. The 'B' ordinary shares carry no voting rights and no dividend rights. On a return of capital, the assets of the company are distributable in the following order of priority:

First in paying to each of 'A' ordinary and 'B' ordinary shareholders an amount equal to the price paid of such shown on a par passu basis;

Second, in paying to the 'A' ordinary shareholder an aggregate of £1.5 million;

Third, in paying any balance remaining after application of the above to the 'B' shareholders.

DRE GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2019**

15. RELATED PARTY TRANSACTIONS

DRE Group Pension Scheme	2019	2018
	£	£
Rent paid to Group Pension Scheme at market rates	16,500	18,375
	=====	=====
Fees paid by Group Pension Scheme for property management	1,740	1,740
	=====	=====

Mr D R England

The group rented property from Mr D R England during the year for the sum of £44,000 (2018 £53,000).
An amount of £611 was due to Mr D R England at 31 January 2019 (2018 £611).

Cotswold Estates Limited

Rent of £7,891 (2018 £5,678) was paid to Cotswold Estates Limited by the group. Mr D R England is a
shareholder and director of Cotswold Estates Limited.