Company Registration No. 06517986 (England and Wales)

APS GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2018

APS GROUP LIMITED

COMPANY INFORMATION

Directors	N J Snelson E J Snelson K M Naylor J Holmes
Company number	06517986
Registered office	Chetham House Bird Hall Lane Cheadle Heath Cheadle Cheshire SK3 0ZP
Auditor	Booth Ainsworth LLP Alpha House 4 Greek Street Stockport Cheshire SK3 8AB

APS GROUP LIMITED

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APS GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JANUARY 2018

"APS Group is an international marketing services business providing integrated communications and Customer experience programs to local and global brands. APS Group provides contracted services to a range of Customers across a board spectrum of business sectors. It has specifically targeted propositions for the financial services, retail, charity, automotive and public sectors. APS Group provides targeted solutions to Customers at a local and regional level, aggregated at a national level and for International Customers a Global solutions capability.
The Customer solutions APS delivers are underpinned by a broad range of services supported by great people, enabling technology and significant infrastructure. The core service offering includes strategy, content creation and content management, multi-channel output management and associated logistics. The company is differentiated in the marketplace by its ability to integrate services and solutions which reduce complexity, deliver efficiencies, improve speed and maximise return for our Customers."

Performance

In 2017 APS Group has continued to develop its core marketing services capability and has gained and also "on boarded" a number of significant new Customers and contracts. Furthermore, APS continued to invest in the Group's infrastructure in both expertise, software/IP capability and production capacity to enhance the knowhow platform to allow for the next phase of anticipated growth.
Turnover has increased by 13.3% to £129m from £113.9m in the year to January 2017. The full year impact of the significant contract wins will be recognised over a two year period. The Group took the strategic decision to expand the core Customer base and mix. This has resulted in the award of several new Customer contracts and the Gross profit in 2018 was £34.5m from £34.8m in 2017. Existing core business Gross Profit percentage remained consistent with the prior year although the overall Gross profit percentage reduced from 30.6% to 26.7% as a result of the new business wins.
As referred to earlier, investment was made during the year relating in both Customer and internal technology solutions and significant one-off investment was also made in on boarding the new Customer base at a total cost of £1.4m. The resulting adjusted EBITDA has moved to £4.6m in the year to January 2018 from £6.3m in the year to January 2017. The latter EBITDA benefitted from a £1.6m one off gain from a customer. Hence on a like for like basis the EBITDA of 2017 & 2018 are broadly in line.
APS Group continues to benefit from low levels of debt, with a strong financial base. We continue to fund investment in recruiting expertise, adopting technology, service line development and overseas expansion from cash flow.
In the year, numbers of employees increased at year end from 779 to 845 as a result of the investment in IT solutions, central service functions and Customer solutions in preparation for growth. Importantly our European operations have continued to expand and we have extended the footprint in North America including the establishment of our Canadian business.

The Directors believe that a summary of the prior year results, adjusted for one-off and exceptional costs, thus showing an underlying profitability of APS is a useful statistic in understanding these accounts:

	Unaudited 2019 Half Year	2018	2017	2016
Sales	£80m	£129m	£113.9m	£113.7m
EBITDA Pre-exceptional	£3.9m	£4.6m	£4.6m	£1.7m
EBITDA	£3.9m	£3.1m	£6.3m	£1.7m

Risk

The APS Group has continued to grow organically with considerable momentum over the last year. Careful consideration has been taken to ensure that the business manages and controls the growth to ensure the Customer experience continues to the high standards and quality expected. Further investment has been made in our innovations solution, support function and project solutions team. These investments continue to increase our ability to nurture and grow our existing Customer business as evidenced by another year of Customer retention and service line development.

Looking Forward

The advent of increasing technology giving consumer's wider access to content with both choice and preference of communication, has increased the complexity required to manage solutions for Customers and resulted in considerable market consolidation. In response to the Customer's requirements for comprehensive, cost effective co-ordinated planning and delivery deployed globally, APS has enhanced its expertise and capabilities. During 2017, APS embarked upon an ambitious plan to create a distinctive and highly effective operational delivery infrastructure to cater for the 21st Century needs of the local, national and international Customers wishing to "reach" their Customers in local, national and international markets.

In support of this strategy, and in line with Customer needs, geographical expansion continued with new facilities in Scotland, new offices across the UK, expansion in the Nordic regions and the establishment of our Canadian office, with all the start-up/set up/recruitment and run up costs being absorbed in the accounts during the year.

The growth in business and in particular a number of significant contract wins have been directly responsible in increasing cost in the year and the real financial benefit of these wins will be recognised from 2018

The Directors are pleased to report that the vast majority of this type of upfront expenditure has now been completed albeit the Group will continue to invest in technology as it expands its service lines deployed and further investment in people/expertise will be made in 2018.

The key priority for 2018 will now be the successful implementation of new contracts awarded in late 2017 and developing the further selling opportunity they bring, coupled with the selective participation in new tenders.

Furthermore, having proven the viability of our USA operation, 2018 will see strategic development of this market to enable the Group to offer its core service capabilities across North America.

As an indication of expected growth in 2018, the Directors are pleased to report that the sales and EBITDA for the six months to 31/07/2018 are £80m and £3.9m respectively.

On behalf of the board

....

N J Snelson

Director

..30.10.18....

APS GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2018

The directors present their annual report and financial statements for the year ended 31 January 2018.

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

N J Snelson
E J Snelson
K M Naylor
J Holmes

Results and dividends
The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Disabled persons
The company's policy is to recruit disabled workers for those vacancies that they are able to fill. Arrangements are made, wherever possible, for retraining employees who become disabled.

Employee involvement
The company's policy is to consult and discuss with employees matters likely to affect employee's interests.

Auditor
In accordance with the company's articles, a resolution proposing that Booth Ainsworth LLP be reappointed as auditor of the group will be put at a General Meeting.

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

On behalf of the board

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N J Snelson
Director
Date: 30/10/18

APS GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2018

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF APS GROUP LIMITED

Opinion
We have audited the financial statements of APS Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2018 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2018 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The 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.

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

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

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

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

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

Use of our report

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

Stephen Pullen (Senior Statutory Auditor)
for and on behalf of Booth Ainsworth LLP

30/10/18

Chartered Accountants
Statutory Auditor

Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB

APS GROUP LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	2017 as restated £
Turnover	3	128,825,578	113,937,700
Cost of sales		(94,374,743)	(79,070,440)
Gross profit		34,450,835	34,867,260
Administrative expenses		(32,297,502)	(30,974,838)
Restructure and set up costs	4	(1,418,510)	-
Operating profit	5	734,823	3,892,422
Interest receivable and similar income	9	55,441	1,509
Interest payable and similar expenses	10	(319,700)	(276,117)
Profit before taxation		470,564	3,617,814
Tax on profit	11	174,168	(912,281)
Profit for the financial year		644,732	2,705,533
Profit for the financial year is attributable to:			
- Owners of the parent company		642,227	2,697,843
- Non-controlling interests		2,505	7,690
		644,732	2,705,533

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

APS GROUP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2018

	2018	2017
	£	£
Profit for the year	644,732	2,705,533
Other comprehensive income		
Currency translation differences	(5,286)	-
Total comprehensive income for the year	639,446	2,705,533
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	636,941	2,697,843
- Non-controlling interests	2,505	7,690
	639,446	2,705,533

APS GROUP LIMITED

GROUP BALANCE SHEET

AS AT 31 JANUARY 2018

	Notes	2018 £	2018 £	2017 as restated £	2017 as restated £
Fixed assets					
Goodwill	12		914,695		1,118,545
Tangible assets	13		12,965,812		13,151,033
			13,880,507		14,269,578
Current assets					
Stocks	17	2,524,917		3,849,524	
Debtors	18	33,937,977		21,494,412	
Investments	19	500,000		500,000	
Cash at bank and in hand		4,061,622		5,987,086	
		41,024,516		31,831,022	
Creditors: amounts falling due within one year	20	(39,462,788)		(30,180,749)	
Net current assets			1,561,728		1,650,273
Total assets less current liabilities			15,442,235		15,919,851
Creditors: amounts falling due after more than one year	21		(247,158)		(1,272,824)
Provisions for liabilities	24		2,373		(89,023)
Net assets			15,197,450		14,558,004
Capital and reserves					
Called up share capital	26		11,212		11,212
Share premium account			6,656,667		6,656,667
Profit and loss reserves			8,523,733		7,886,792
Equity attributable to owners of the parent company			15,191,612		14,554,671
Non-controlling interests			5,838		3,333
			15,197,450		14,558,004

The financial statements were approved by the board of directors and authorised for issue on 30/10/18 and are signed on its behalf by:

N J Snelson
Director

APS GROUP LIMITED

COMPANY BALANCE SHEET

AS AT 31 JANUARY 2018

	Notes	2018 £	2018 £	2017 as restated £	2017 as restated £
Fixed assets					
Investments	14		13,740,230		13,740,230
Current assets					
Debtors	18	1,201,648		1,203,868	
Investments	19	500,000		500,000	
Cash at bank and in hand		8,666		232	
		1,710,314		1,704,100	
Creditors: amounts falling due within one year	20	(5,700,617)		(5,673,549)	
Net current liabilities			(3,990,303)		(3,969,449)
Total assets less current liabilities			9,749,927		9,770,781
Capital and reserves					
Called up share capital	26		11,212		11,212
Share premium account			6,656,667		6,656,667
Profit and loss reserves			3,082,048		3,102,902
Total equity			9,749,927		9,770,781

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £20,854 (2017 - £81,100 loss).

The financial statements were approved by the board of directors and authorised for issue on 30/10/18 and are signed on its behalf by:

N J Snelson
Director

Company Registration No. 06517986

APS GROUP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2018

	Share capital	Share premium account	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
	£	£	£	£	£	£
As restated for the period ended 31 January 2017:						
Balance at 1 February 2016	11,212	6,656,667	6,362,260	13,030,139	(4,357)	13,025,782
Deferred income adjustments	-	-	(1,173,311)	(1,173,311)	-	(1,173,311)
As restated	11,212	6,656,667	5,188,949	11,856,828	(4,357)	11,852,471
Year ended 31 January 2017:						
Profit and total comprehensive income for the year	-	-	2,697,843	2,697,843	7,690	2,705,533
Balance at 31 January 2017	11,212	6,656,667	7,886,792	14,554,671	3,333	14,558,004
Year ended 31 January 2018:						
Profit for the year	-	-	642,227	642,227	2,505	644,732
Other comprehensive income:						
Currency translation differences on overseas subsidiaries	-	-	(5,286)	(5,286)	-	(5,286)
Total comprehensive income for the year	-	-	636,941	636,941	2,505	639,446
Balance at 31 January 2018	11,212	6,656,667	8,523,733	15,191,612	5,838	15,197,450

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2018

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
As restated for the period ended 31 January 2017:				
Balance at 1 February 2016	11,212	6,656,667	3,184,002	9,851,881
As restated	11,212	6,656,667	3,184,002	9,851,881
Year ended 31 January 2017:				
Loss and total comprehensive income for the year	-	-	(81,100)	(81,100)
Balance at 31 January 2017	11,212	6,656,667	3,102,902	9,770,781
Year ended 31 January 2018:				
Loss and total comprehensive income for the year	-	-	(20,854)	(20,854)
Balance at 31 January 2018	11,212	6,656,667	3,082,048	9,749,927

APS GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Cash flows from operating activities					
Cash generated from operations	**28**		2,626,288		3,978,237
Interest paid			(319,700)		(276,117)
Income taxes (paid)/refunded			(843,624)		111,489
Net cash inflow from operating activities			1,462,964		3,813,609
Investing activities					
Purchase of intangible assets		(52)		(204)	
Purchase of tangible fixed assets		(2,133,001)		(986,865)	
Proceeds on disposal of tangible fixed assets		395		156,630	
Interest received		55,441		1,509	
Net cash used in investing activities			(2,077,217)		(828,930)
Financing activities					
Repayment of bank loans		(749,809)		(942,119)	
Payment of finance leases obligations		(561,402)		(561,401)	
Net cash used in financing activities			(1,311,211)		(1,503,520)
Net (decrease)/increase in cash and cash equivalents			(1,925,464)		1,481,159
Cash and cash equivalents at beginning of year			5,987,086		4,505,927
Cash and cash equivalents at end of year			4,061,622		5,987,086

APS GROUP LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	29		(3,496)		45,400
Interest paid			(45,400)		(45,400)
Income taxes refunded/(paid)			3,330		-
Net cash outflow from operating activities			(45,566)		-
Investing activities					
Interest received		54,000		-	
Net cash generated from/(used in) investing activities			54,000		-
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			8,434		-
Cash and cash equivalents at beginning of year			232		232
Cash and cash equivalents at end of year			8,666		232

1 Accounting policies

Company information

APS Group Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Chetham House, Bird Hall Lane, Cheadle Heath, Cheadle, Cheshire SK3 0ZP.

The group consists of APS Group Limited and all of its subsidiaries.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

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

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

1.2 Basis of consolidation

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

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

All financial statements are made up to 31 January 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.4 Turnover

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

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Intangible fixed assets - goodwill

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

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Plant and machinery	Between 33% pa on cost and 20% pa on written down value
Fixtures, fittings & equipment	Between 33% pa on cost and 20% pa on written down value
Computer equipment	Between 33% pa on cost and 20% pa on written down value
Motor vehicles	25% per annum on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Land and buildings whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value in the opinion of the directors.

1 Accounting policies **(Continued)**

1.7 Fixed asset investments

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

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

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

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

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

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

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

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

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1 Accounting policies **(Continued)**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

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

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

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

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

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

Basic financial assets

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

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

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

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

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

Current tax

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

Deferred tax

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

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

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Contributions payable are charged to the profit and loss account in accordance with the rules of the scheme.

1 Accounting policies **(Continued)**

1.16 Leases

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.17 Foreign exchange

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

2 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

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

	2018	2017
	£	£
Turnover analysed by class of business		
Turnover	128,825,578	113,937,700

	2018	2017
	£	£
Other significant revenue		
Interest income	55,441	1,509

3 Turnover and other revenue (Continued)

	2018	2017
	£	£
Turnover analysed by geographical market		
UK	95,658,269	82,147,469
EC	29,078,606	25,659,586
Non EC	4,088,703	6,130,645
	128,825,578	113,937,700

4 Restructure and set up costs

	2018	2017
	£	£
Restructure and set up costs	1,418,510	-

5 Operating profit

	2018	2017
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	207,622	(16,252)
Depreciation of owned tangible fixed assets	1,212,953	987,862
Depreciation of tangible fixed assets held under finance leases	1,104,077	1,218,348
(Profit)/loss on disposal of tangible fixed assets	-	31,716
Amortisation of intangible assets	203,902	195,558
Cost of stocks recognised as an expense	29,634,279	31,731,162
Operating lease charges	749,864	564,112

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £207,622 (2017 - £16,252).

6 Auditor's remuneration

	2018	2017
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	18,500	17,500
Audit of the financial statements of the company's subsidiaries	40,600	37,150
	59,100	54,650

7 Employees

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

	Group 2018 Number	2017 Number	Company 2018 Number	2017 Number
Directors & employees	845	779	-	-

Their aggregate remuneration comprised:

	Group 2018 £	2017 £	Company 2018 £	2017 £
Wages and salaries	31,024,406	28,471,227	-	-
Social security costs	2,479,681	2,175,979	-	-
Pension costs	518,968	381,321	-	-
	34,023,055	31,028,527	-	-

8 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	519,136	470,640

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2018 £	2017 £
Remuneration for qualifying services	222,343	205,557

9 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Interest on bank deposits	55,441	1,509

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	55,441	1,509

10 Interest payable and similar expenses

	2018	2017
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	216,666	173,254
Interest on finance leases and hire purchase contracts	57,463	57,463
	274,028	230,717
Other finance costs:		
Other interest	45,672	45,400
Total finance costs	319,700	276,117

11 Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax on profits for the current period	242,726	957,104
Adjustments in respect of prior periods	(325,498)	(242)
Total current tax	(82,772)	956,862
Deferred tax		
Origination and reversal of timing differences	(91,396)	(44,581)
Total tax (credit)/charge for the year	(174,168)	912,281

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

	2018	2017
	£	£
Profit before taxation	470,564	3,617,814
Expected tax charge based on the standard rate of corporation tax in the UK of 19.20% (2017: 20.00%)	90,348	723,563
Tax effect of expenses that are not deductible in determining taxable profit	6,158	9,579
Permanent capital allowances in excess of depreciation	54,824	129,908
Other non-reversing timing differences	-	49,473
Under/(over) provided in prior years	(325,498)	(242)
Taxation (credit)/charge for the year	(174,168)	912,281

12 Intangible fixed assets

Group	Goodwill	Software	Total
	£	£	£
Cost			
At 1 February 2017	1,975,723	437	1,976,160
Additions - separately acquired	52	-	52
At 31 January 2018	1,975,775	437	1,976,212
Amortisation and impairment			
At 1 February 2017	857,178	437	857,615
Amortisation charged for the year	203,902	-	203,902
At 31 January 2018	1,061,080	437	1,061,517
Carrying amount			
At 31 January 2018	914,695	-	914,695
At 31 January 2017	1,118,545	-	1,118,545

The company had no intangible fixed assets at 31 January 2018 or 31 January 2017.

13 Tangible fixed assets

Group	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 February 2017	6,490,000	13,915,467	4,259,986	26,451	95,892	24,787,796
Additions	-	928,590	1,170,213	34,198	-	2,133,001
Disposals	-	(700)	-	-	-	(700)
At 31 January 2018	6,490,000	14,843,357	5,430,199	60,649	95,892	26,920,097
Depreciation and impairment						
At 1 February 2017	-	8,253,487	3,274,981	19,186	89,906	11,637,560
Depreciation charged in the year	-	1,701,530	594,173	15,341	5,986	2,317,030
Eliminated in respect of disposals	-	(305)	-	-	-	(305)
At 31 January 2018	-	9,954,712	3,869,154	34,527	95,892	13,954,285
Carrying amount						
At 31 January 2018	6,490,000	4,888,645	1,561,045	26,122	-	12,965,812
At 31 January 2017	6,490,000	5,662,776	985,007	7,264	5,986	13,151,033

The company had no tangible fixed assets at 31 January 2018 or 31 January 2017.

13 Tangible fixed assets (Continued)

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

	Group 2018	2017	Company 2018	2017
	£	£	£	£
Plant and machinery	2,689,455	3,684,706	-	-
Depreciation charge for the year in respect of leased assets	1,104,077	1,218,348	-	-

The land and buildings were revalued on 10 April 2014 at £6,490,000 by GVA Grimley International Property Advisers at open market value. The directors consider that this valuation is appropriate at the year end.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	Group 2018	2017	Company 2018	2017
	£	£	£	£
Cost	6,800,910	6,800,910	-	-
Accumulated depreciation	-	-	-	-
Carrying value	6,800,910	6,800,910	-	-

14 Fixed asset investments

	Notes	Group 2018	2017	Company 2018	2017
		£	£	£	£
Investments in subsidiaries	15	-	-	13,740,230	13,740,230

14 Fixed asset investments (Continued)

Movements in fixed asset investments
Company

	Shares in group undertakings
	£
Cost or valuation	
At 1 February 2017 and 31 January 2018	13,740,230
Carrying amount	
At 31 January 2018	13,740,230
At 31 January 2017	13,740,230

15 Subsidiaries

Details of the company's subsidiaries at 31 January 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Allied Publicity Services (Manchester) Limited	England	Print management services	ordinary	100.00	
APS Group (Scotland) Limited	Scotland	Print management services	ordinary	100.00	
APS Group BV	Netherlands	Print management services	ordinary	87.00	
APS Group France SAS	France	Print management services	ordinary	100.00	
APS Group Italia SRL	Italy	Print management services	ordinary	100.00	
APS Group Property Solutions Limited	England	Provision of premises	ordinary	100.00	
APS Group Secure Solutions Limited	England	Secure printing and data communications	ordinary	100.00	
APS Group Suomi Oy	Finland	Print management services	ordinary	100.00	
APS Group Sverige AB	Sweden	Print management services	ordinary	100.00	
APS Group USA LLC	USA	Print management services	ordinary	100.00	

16 Financial instruments

	Group 2018	2017	Company 2018	2017
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	28,976,753	18,420,165	1,201,648	1,203,868
Instruments measured at fair value through profit or loss	500,000	500,000	500,000	500,000
Carrying amount of financial liabilities				
Measured at amortised cost	37,682,665	29,860,199	5,688,207	5,664,469

17 Stocks

	Group 2018 £	2017 £	Company 2018 £	2017 £
Raw materials and consumables	2,088,672	2,049,736	-	-
Work in progress	250,132	1,488,488	-	-
Finished goods and goods for resale	186,113	311,300	-	-
	2,524,917	3,849,524	-	-

18 Debtors

Amounts falling due within one year:	Group 2018 £	2017 £	Company 2018 £	2017 £
Trade debtors	24,876,492	17,784,811	-	-
Unpaid share capital	1,212	1,212	1,212	1,212
Corporation tax recoverable	366,037	-	-	-
Amounts owed by group undertakings	-	-	1,200,436	1,202,656
Other debtors	4,062,765	634,165	-	-
Prepayments and accrued income	4,631,471	3,074,224	-	-
	33,937,977	21,494,412	1,201,648	1,203,868

19 Current asset investments

	Group 2018 £	2017 £	Company 2018 £	2017 £
Unlisted investments	500,000	500,000	500,000	500,000

20 Creditors: amounts falling due within one year

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Bank loans and overdrafts	22	1,085,250	1,130,264	-	-
Obligations under finance leases	23	187,134	560,999	-	-
Trade creditors		18,646,117	10,089,757	-	-
Amounts due to group undertakings		-	-	4,553,207	4,513,269
Corporation tax payable		11,456	571,815	3,330	-
Other taxation and social security		2,015,825	1,021,559	9,080	9,080
Other creditors		3,120,103	2,437,439	1,135,000	1,135,000
Accruals and deferred income		14,396,903	14,368,916	-	16,200
		39,462,788	30,180,749	5,700,617	5,673,549

21 Creditors: amounts falling due after more than one year

		Group		Company	
		2018	2017	2018	2017
	Notes	£	£	£	£
Bank loans and overdrafts	22	247,158	951,953	-	-
Obligations under finance leases	23	-	187,537	-	-
Other creditors		-	133,334	-	-
		247,158	1,272,824	-	-

22 Loans and overdrafts

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans	1,332,408	2,082,217	-	-
Payable within one year	1,085,250	1,130,264	-	-
Payable after one year	247,158	951,953	-	-

The loans are secured by fixed and floating charges over the assets to which they relate.

23 Finance lease obligations

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	187,134	560,999	-	-
In two to five years	-	187,537	-	-
	187,134	748,536	-	-

24 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2018 £	Liabilities 2017 £	Assets 2018 £	Assets 2017 £
Accelerated capital allowances	-	-	132,191	40,795
Revaluations	129,818	129,818	-	-
	129,818	129,818	132,191	40,795

The company has no deferred tax assets or liabilities.

Movements in the year:	Group 2018 £	Company 2018 £
Liability at 1 February 2017	89,023	-
Charge to profit and loss account	(91,396)	
Liability/(asset) at 31 January 2018	(2,373)	-

25 Retirement benefit schemes

Defined contribution schemes	2018 £	2017 £
Charge to profit or loss in respect of defined contribution schemes	518,968	381,321

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

26 Share capital

	Group and company 2018 £	Group and company 2017 £
Ordinary share capital		
Issued and not fully paid		
10,000 ordinary of £1 each	10,000	10,000
1,212 ordinary A of £1 each	1,212	1,212
	11,212	11,212

The rights of each class of share are included in the company's Articles of Association.

27 Operating lease commitments

Lessee

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

	Group 2018 £	2017 £	Company 2018 £	2017 £
Within one year	999,590	690,262	-	-
Between two and five years	3,972,936	2,125,685	-	-
In over five years	3,520,619	1,615,611	-	-
	8,493,145	4,431,558	-	-

28 Cash generated from group operations

	2018 £	2017 £
Profit for the year after tax	644,732	2,705,533
Adjustments for:		
Taxation (credited)/charged	(174,168)	912,281
Finance costs	319,700	276,117
Investment income	(55,441)	(1,509)
(Gain)/loss on disposal of tangible fixed assets	-	31,716
Amortisation and impairment of intangible assets	203,902	195,558
Depreciation and impairment of tangible fixed assets	2,317,030	2,206,210
Movements in working capital:		
Decrease in stocks	1,324,607	311,393
(Increase) in debtors	(12,083,918)	(2,259,754)
Increase/(decrease) in creditors	10,129,844	(399,308)
Cash generated from operations	2,626,288	3,978,237

28 Cash generated from operations - company

	2018 £	2017 £
Loss for the year after tax	(20,854)	(81,100)
Adjustments for:		
Finance costs	45,400	45,400
Investment income	(54,000)	-
Movements in working capital:		
Decrease in debtors	2,220	-
Increase in creditors	23,738	81,100
Cash (absorbed by)/generated from operations	(3,496)	45,400

30 Prior period adjustment

Reconciliation of changes in equity - group

	Notes	1 February 2016 £	31 January 2017 £
Equity as previously reported		13,025,782	16,328,576
Adjustments to prior year			
Cumulative deferred income and accrued cost adjustments		(1,173,311)	(1,770,572)
Equity as adjusted		11,852,471	14,558,004

Reconciliation of changes in profit for the previous financial period

	Notes	2017 £
Profit as previously reported		3,302,794
Adjustments to prior year		
Deferred income and accrued cost adjustment		(597,261)
Profit as adjusted		2,705,533

Prior year adjustments have been made to correct previously under accrued deferred income and accrued costs in the prior three years.