

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018
FOR
BM MANCHESTER LIMITED



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FOR THE YEAR ENDED 30 APRIL 2018

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BM MANCHESTER LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2018

DIRECTORS:

L. Louca
C. Christou

REGISTERED OFFICE:

6th Floor
Charles House
108-110 Finchley Road
London
NW3 5JJ

REGISTERED NUMBER:

07385695 (England and Wales)

AUDITORS:

Numera Partners LLP
Statutory Auditors
6th Floor
Charles House
108-110 Finchley Road
London
NW3 5JJ

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2018

The directors present their strategic report of the company and the group for the year ended 30 April 2018.

REVIEW OF BUSINESS

The principal activity of the company is that of a holding company. The subsidiary company's principal activity is the operation of a hotel.

The directors are satisfied with the performance of the subsidiary during the year under review. During the year the hotel maintained its turnover at £20.4m (2017: £20.4m) in a highly competitive market.

PRINCIPAL RISKS AND UNCERTAINTIES

Some risks are excluded because the management considers them not to be material to the company. Additionally there may be risks and uncertainties not presently known to the management team.

MARKET AND HOTEL INDUSTRY RISKS

The subsidiary's operations and results are subject to a number of factors which could affect the business, many of which are common to the hotel industry and beyond the subsidiary's control such as a potential global economic downturn; changes in travel patterns; and the potential increase in acts of terrorism. The impact of any of these factors (or a combination of them) may adversely affect sustained levels of occupancy, room rates and/or hotel values, however the group tries to minimise the potential impact of these risks through its experienced hotel management team.

Although management seeks to identify risks at the earliest opportunity, many of these risks are beyond the control of the subsidiary. The subsidiary company has in place recovery plans to enable it to respond to major incidents or crises and takes steps to minimise these exposures to the greatest extent possible.

BORROWINGS

The subsidiary's bank borrowings are currently with one major lender and the financing arrangements contain security over the assets of the company.

To mitigate against risks the management team meets regularly to review the financial performance of the hotel together with the subsidiary's financial commitments.

FIXED OPERATING EXPENSES

The subsidiary's operating expenses such as personnel costs, operating leases, information technology and telecommunications are to a large extent fixed. As such, operating results may be vulnerable to short-term changes in revenues.

The subsidiary has appropriate management systems in place such as staff outsourcing designed to create flexibility in operating cost base so as to optimise operating profits in volatile trading conditions.

KEY SENIOR PERSONNEL AND MANAGEMENT

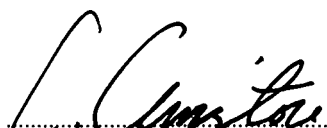
The success of the subsidiary's business is partially attributable to the efforts and abilities of its senior managers.

The subsidiary has appropriate systems in place for recruitment, reward and compensation and performance management. Development and maintenance of the subsidiary's culture also plays a leading role in minimising risk.

The key senior management in the hotel is provided by the hotel operator and therefore there is a pool of staff available should key personnel leave.

In addition, the group's internal asset management team possess the skill set to cover any of its investment strategies.

ON BEHALF OF THE BOARD:


.....
C. Christou - Director

Date: 29/01/2019

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2018

The directors present their report with the financial statements of the company and the group for the year ended 30 April 2018.

DIVIDENDS

Interim dividends per share were paid as follows:

Ordinary £1 shares	£250,266.66	- 30 April 2018
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The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 30 April 2018 will be £1,501,600.

FUTURE DEVELOPMENTS

It is anticipated that the group will maintain its turnover and balance sheet position for the foreseeable future.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2017 to the date of this report.

L. Louca
C. Christou

FINANCIAL INSTRUMENTS

Information on financial instruments and other risks is set out below:

Treasury activities take place under procedures and policies monitored by the directors. They are designed to minimise the financial risks faced by the company which primarily arise from interest rate, currency, credit and liquidity risks. It is not the policy of the group to enter into speculative transactions.

FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The most significant treasury exposures faced by the group are managing interest rate and currency positions. Treasury policies are in place for managing each of these exposures including the type and use of financial instruments.

The group has no financial instruments to hedge foreign exchange exposure.

The group does not enter into derivative transactions.

The fair values of the receivables, payables and cash balances in the accounts approximate their book value.

The main financial risks faced by the company are funding risk and credit risk. As with any business there remains uncertainty and risk about the ability of the group to achieve its business objectives within its current funding. The director continually reviews the funding status of the group and its exposure to liquidity risk.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- state whether applicable 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 company will continue in business.

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.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2018

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:



C. Christou - Director

Date: 29/01/2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BM MANCHESTER LIMITED

Opinion

We have audited the financial statements of BM Manchester Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 April 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 Auditors' 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 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 in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

Opinion 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 Group Strategic Report or the Report of the Directors.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BM MANCHESTER LIMITED

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, 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 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.

Auditors' 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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



Giles Cohen (Senior Statutory Auditor)
for and on behalf of Numera Partners LLP
Statutory Auditors
6th Floor
Charles House
108-110 Finchley Road
London
NW3 5JJ

Date: 29/1/19

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	Notes	30.4.18 £	30.4.17 £
TURNOVER		20,433,417	20,483,792
Cost of sales		2,101,150	2,105,871
GROSS PROFIT		18,332,267	18,377,921
Administrative expenses		16,145,285	15,040,743
OPERATING PROFIT	4	2,186,982	3,337,178
Interest payable and similar expenses	5	1,171,796	1,409,282
PROFIT BEFORE TAXATION		1,015,186	1,927,896
Tax on profit	6	110,213	-
PROFIT FOR THE FINANCIAL YEAR		904,973	1,927,896
Profit attributable to: Owners of the parent		904,973	1,927,896

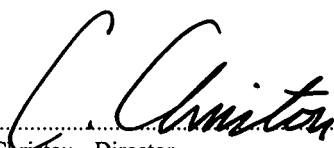
CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2018

	Notes	30.4.18 £	30.4.17 £
PROFIT FOR THE YEAR		904,973	1,927,896
OTHER COMPREHENSIVE INCOME			
Deferred tax		201,776	(285,850)
Depreciation on property revaluation		245,462	245,462
Income tax relating to components of other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		447,238	(40,388)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,352,211	1,887,508
Total comprehensive income attributable to:			
Owners of the parent		1,312,211	1,847,508
Non-controlling interests		40,000	40,000
		1,352,211	1,887,508

CONSOLIDATED BALANCE SHEET
30 APRIL 2018

	Notes	30.4.18 £	30.4.17 £
FIXED ASSETS			
Tangible assets	9	98,931,564	99,216,104
Investments	10	-	-
		<u>98,931,564</u>	<u>99,216,104</u>
CURRENT ASSETS			
Stocks	11	82,145	77,144
Debtors	12	20,558,821	7,867,875
Cash at bank and in hand		3,909,269	4,025,059
		<u>24,550,235</u>	<u>11,970,078</u>
CREDITORS			
Amounts falling due within one year	13	38,160,757	9,440,047
		<u>(13,610,522)</u>	<u>2,530,031</u>
NET CURRENT (LIABILITIES)/ASSETS			
		<u>85,321,042</u>	<u>101,746,135</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	14	(31,671,534)	(47,500,000)
PROVISIONS FOR LIABILITIES	17	(5,701,072)	(6,148,310)
NET ASSETS		<u>47,948,436</u>	<u>48,097,825</u>
CAPITAL AND RESERVES			
Called up share capital	18	6	6
Share premium	19	4,649,995	4,649,995
Revaluation reserve	19	42,654,892	42,453,116
Retained earnings	19	603,543	954,708
		<u>47,908,436</u>	<u>48,057,825</u>
SHAREHOLDERS' FUNDS			
NON-CONTROLLING INTERESTS	20	40,000	40,000
TOTAL EQUITY		<u>47,948,436</u>	<u>48,097,825</u>

The financial statements were approved by the Board of Directors on 29/6/2019 and were signed on its behalf by:



 C. Christou - Director

COMPANY BALANCE SHEET
30 APRIL 2018

	Notes	30.4.18		30.4.17	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		-		-
Investments	10		80,000		80,000
			<u>80,000</u>		<u>80,000</u>
CURRENT ASSETS					
Debtors	12	12,473,200		10,973,200	
Cash in hand		<u>1</u>		<u>1</u>	
		12,473,201		10,973,201	
CREDITORS					
Amounts falling due within one year	13	<u>7,903,200</u>		<u>6,403,200</u>	
NET CURRENT ASSETS			<u>4,570,001</u>		<u>4,570,001</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>4,650,001</u></u>		<u><u>4,650,001</u></u>
CAPITAL AND RESERVES					
Called up share capital	18		6		6
Share premium	19		<u>4,649,995</u>		<u>4,649,995</u>
SHAREHOLDERS' FUNDS			<u><u>4,650,001</u></u>		<u><u>4,650,001</u></u>
Company's profit for the financial year			<u><u>1,501,600</u></u>		<u><u>4,501,600</u></u>

The financial statements were approved by the Board of Directors on 29/01/2019 and were signed on its behalf by:


.....
C. Christou - Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2018

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 May 2016	6	3,282,950	4,649,995
Changes in equity			
Dividends	-	(4,501,600)	-
Total comprehensive income	-	2,173,358	-
Balance at 30 April 2017	6	954,708	4,649,995
Changes in equity			
Dividends	-	(1,501,600)	-
Total comprehensive income	-	1,150,435	-
Balance at 30 April 2018	6	603,543	4,649,995

	Revaluation reserve £	Total £	Non-controlling interests £	Total equity £
Balance at 1 May 2016	42,738,966	50,671,917	-	50,671,917
Changes in equity				
Dividends	-	(4,501,600)	-	(4,501,600)
Total comprehensive income	(285,850)	1,887,508	40,000	1,927,508
Balance at 30 April 2017	42,453,116	48,057,825	40,000	48,097,825
Changes in equity				
Dividends	-	(1,501,600)	-	(1,501,600)
Total comprehensive income	201,776	1,352,211	40,000	1,392,211
Balance at 30 April 2018	42,654,892	47,908,436	80,000	47,988,436

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2018

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 May 2016	6	-	4,649,995	4,650,001
Changes in equity				
Dividends	-	(4,501,600)	-	(4,501,600)
Total comprehensive income	-	4,501,600	-	4,501,600
Balance at 30 April 2017	6	-	4,649,995	4,650,001
Changes in equity				
Dividends	-	(1,501,600)	-	(1,501,600)
Total comprehensive income	-	1,501,600	-	1,501,600
Balance at 30 April 2018	6	-	4,649,995	4,650,001

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018

	Notes	30.4.18 £	30.4.17 £
Cash flows from operating activities			
Cash generated from operations	1	18,829,933	6,637,637
Interest paid		(1,171,796)	(1,409,282)
Net cash from operating activities		<u>17,658,137</u>	<u>5,228,355</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(469,173)</u>	<u>(288,309)</u>
Net cash from investing activities		<u>(469,173)</u>	<u>(288,309)</u>
Cash flows from financing activities			
Loan repayments in year		(15,803,154)	-
Equity dividends paid		<u>(1,501,600)</u>	<u>(4,501,600)</u>
Net cash from financing activities		<u>(17,304,754)</u>	<u>(4,501,600)</u>
(Decrease)/increase in cash and cash equivalents		<u>(115,790)</u>	<u>438,446</u>
Cash and cash equivalents at beginning of year	2	<u>4,025,059</u>	<u>3,586,613</u>
Cash and cash equivalents at end of year	2	<u><u>3,909,269</u></u>	<u><u>4,025,059</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2018**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	30.4.18	30.4.17
	£	£
Profit before taxation	1,015,186	1,927,896
Depreciation charges	728,401	655,822
Finance costs	1,171,796	1,409,282
	<hr/>	<hr/>
Increase in stocks	2,915,383	3,993,000
	(5,001)	(3,486)
Increase in trade and other debtors	(12,690,946)	(2,136,853)
Increase in trade and other creditors	28,610,497	4,784,976
	<hr/>	<hr/>
Cash generated from operations	18,829,933	6,637,637
	<hr/>	<hr/>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 April 2018

	30.4.18	1.5.17
	£	£
Cash and cash equivalents	3,909,269	4,025,059
	<hr/>	<hr/>

Year ended 30 April 2017

	30.4.17	1.5.16
	£	£
Cash and cash equivalents	4,025,059	3,586,613
	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

1. STATUTORY INFORMATION

BM Manchester 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

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including 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 on the historical cost basis except for the modifications to a fair value basis for the revaluation of certain assets.

Basis of consolidation

The consolidated financial statements of the group include the financial statements of the company and its direct and indirect subsidiary undertakings made up to 30 April 2018. The results of subsidiaries acquired are included in the consolidated profit and loss account from the date control passes. Intra group sales and profits are eliminated fully on consolidation.

Significant judgements and estimates

In the application of the Group's accounting policies, which are described in accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Tangible fixed assets

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

Long leasehold	- 0.5% on cost
Fixtures and fittings	- 25% on reducing balance

Leasehold properties are classified as operational properties when they are used by the company's business as opposed to being held primarily for rental income. Operational properties are revalued to fair value on a regular basis.

Stocks

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis. Net realisable value represents estimated selling price less costs to complete and sell. Provision is made for slow moving, obsolete or damaged stock where the net realisable value is less than cost.

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.

Deferred taxation

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2018

2. ACCOUNTING POLICIES - continued

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.

Related parties

The company has taken advantage of FRS 102, Section 33.1A, for the disclosure of transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member. Amounts owed to and from group companies are therefore shown in aggregate.

Financial liabilities

Short term creditors are measured at transaction price. Other financial liabilities, including loans from group companies are measured initially at fair value, net of transaction cost and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Financial assets

Short term debtors are measured at transaction price, less any impairment. Other financial assets, including loans to group companies are measured initially at fair value, net of transactions cost and are subsequently measured at amortised cost using the effective interest method, less any impairment.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company, therefore continues to adopt the going concern policy in preparing its financial statements.

Fixed asset investments

Investments in subsidiaries are carried at cost less impairment.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

3. EMPLOYEES AND DIRECTORS

Included within wages and salaries are social security costs amounting to £319,075 (2017: £324,053).

	30.4.18	30.4.17
	£	£
Directors' remuneration	-	-
	<u> </u>	<u> </u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	30.4.18	30.4.17
	£	£
Hire of plant and machinery	83,951	61,400
Other operating leases	8,703	151,483
Depreciation - owned assets	753,713	655,822
Auditors' remuneration	39,891	25,783
	<u> </u>	<u> </u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.4.18	30.4.17
	£	£
Bank loan interest	1,171,796	1,409,282
	<u> </u>	<u> </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2018

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	30.4.18 £	30.4.17 £
Current tax:		
UK corporation tax	110,213	-
Tax on profit	<u>110,213</u>	<u>-</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.4.18 £	30.4.17 £
Profit before tax	<u>1,015,186</u>	<u>1,927,896</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.910%)	192,885	383,844
Effects of:		
Capital allowances in excess of depreciation	(82,672)	(165,160)
Group relief	-	(218,684)
Total tax charge	<u>110,213</u>	<u>-</u>

Tax effects relating to effects of other comprehensive income

	30.4.18 Gross £	Tax £	Net £
Deferred tax	201,776	-	201,776
Depreciation on property revaluation	245,462	-	245,462
	<u>447,238</u>	<u>-</u>	<u>447,238</u>

	30.4.17 Gross £	Tax £	Net £
Deferred tax	(285,850)	-	(285,850)
Depreciation on property revaluation	245,462	-	245,462
	<u>(40,388)</u>	<u>-</u>	<u>(40,388)</u>

7. 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.

8. DIVIDENDS

	30.4.18 £	30.4.17 £
Ordinary shares of £1 each		
Interim	1,500,000	4,500,000
Ordinary shares of £1 each		
Interim	<u>1,600</u>	<u>1,600</u>
	<u>1,501,600</u>	<u>4,501,600</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2018

9. TANGIBLE FIXED ASSETS

Group

	Long leasehold £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 1 May 2017	100,802,518	1,055,721	101,858,239
Additions	-	469,173	469,173
At 30 April 2018	100,802,518	1,524,894	102,327,412
DEPRECIATION			
At 1 May 2017	2,041,842	600,293	2,642,135
Charge for year	529,325	224,388	753,713
At 30 April 2018	2,571,167	824,681	3,395,848
NET BOOK VALUE			
At 30 April 2018	98,231,351	700,213	98,931,564
At 30 April 2017	98,760,676	455,428	99,216,104

Cost or valuation at 30 April 2018 is represented by:

	Long leasehold £	Fixtures and fittings £	Totals £
Valuation in 2015	49,092,350	-	49,092,350
Cost	51,710,168	1,524,894	53,235,062
	100,802,518	1,524,894	102,327,412

If leasehold property had not been revalued it would have been included at the following historical cost:

	30.4.18 £	30.4.17 £
Cost	51,710,168	51,710,168

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 May 2017 and 30 April 2018	80,000
NET BOOK VALUE	
At 30 April 2018	80,000
At 30 April 2017	80,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2018

11. STOCKS

	Group	
	30.4.18	30.4.17
	£	£
Stocks	82,145	77,144

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company	
	30.4.18	30.4.17	30.4.18
	£	£	£
Trade debtors	614,169	682,173	-
Other debtors	378,415	382,444	-
Amounts owed by group undertakings	19,217,294	6,450,975	12,473,200
Prepayments	348,943	352,283	-
	<u>20,558,821</u>	<u>7,867,875</u>	<u>12,473,200</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company	
	30.4.18	30.4.17	30.4.18
	£	£	£
Trade creditors	387,062	315,638	-
Amounts owed to group undertakings	35,105,794	6,403,200	7,903,200
Tax	110,213	-	-
Social security and other taxes	108,968	85,660	-
VAT	654,515	648,001	-
Other creditors	173,980	164,980	-
Advance deposits	361,815	445,746	-
Accrued expenses	1,258,410	1,376,822	-
	<u>38,160,757</u>	<u>9,440,047</u>	<u>7,903,200</u>

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

	Group	
	30.4.18	30.4.17
	£	£
Bank loans (see note 15)	31,671,534	47,500,000

15. LOANS

An analysis of the maturity of loans is given below:

	Group	
	30.4.18	30.4.17
	£	£
Amounts falling due between two and five years:		
Bank loans - 2-5 years	31,671,534	47,500,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2018

16. SECURED DEBTS

The following secured debts are included within creditors:

	Group
	30.4.18 30.4.17
	£ £
Bank loans	31,671,534 47,500,000

Bank loans are secured by way of mortgage debentures, floating charges and legal charges over the assets of the company.

17. PROVISIONS FOR LIABILITIES

	Group
	30.4.18 30.4.17
	£ £
Deferred tax	5,701,072 6,148,310
Group	
	Deferred tax
	£
Balance at 1 May 2017	6,148,310
Provided during year	(447,238)
Balance at 30 April 2018	5,701,072

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.4.18	30.4.17
			£	£
6	Ordinary	£1	6	6

19. RESERVES

Group	Retained earnings	Share premium	Revaluation reserve	Totals
	£	£	£	£
At 1 May 2017	954,708	4,649,995	42,453,116	48,057,819
Profit for the year	904,973			904,973
Dividends	(1,501,600)			(1,501,600)
Revaluation	245,462	-	(245,462)	-
Deferred tax	-	-	447,238	447,238
At 30 April 2018	603,543	4,649,995	42,654,892	47,908,430

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2018**19. RESERVES - continued****Company**

	Retained earnings £	Share premium £	Totals £
At 1 May 2017	-	4,649,995	4,649,995
Profit for the year	1,501,600		1,501,600
Dividends	(1,501,600)		(1,501,600)
	<hr/>	<hr/>	<hr/>
At 30 April 2018	-	4,649,995	4,649,995
	<hr/>	<hr/>	<hr/>

20. NON-CONTROLLING INTERESTS

This note gives details of the Group's minority interests and shows the movement during the year.

	30.04.18 £
Minority Interests	40,000
	<hr/>
Balance as at 30 April 2018	40,000
	<hr/>

21. PENSION COMMITMENTS

The company operated a defined contribution pension scheme for the benefit of its employees. The costs of the scheme are recognised in the period in which contributions are payable and total £14,262 (2016: £4,656) for the period under review.

22. CONTINGENT LIABILITIES

The company is part of an omnibus guarantee and set off agreement for securing all monies due or to become due from certain group companies which at 30 April 2018 amounted to £231 million.

The company is from time to time party to legal actions arising in the ordinary course of business. The directors have advised that there are no current actions which could have a material adverse effect on the financial position of the company.

23. RELATED PARTY DISCLOSURES

Included in debtors falling due within one year is an amount of £19,217,294 (2017: £6,450,975) owed by group undertakings.

Included in creditors due within one year is an amount of £35,107,594 (2017: £6,403,200) owed to group undertakings.

Amounts outstanding between group companies arise by virtue of financing transactions. These amounts are unsecured, interest free and due within one year.

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Y. Christodoulou.

25. PARENT COMPANY

The immediate parent company is Blue Marques (M) Limited, incorporated in BVI. The ultimate parent company is Yianis Holdings TC Limited, incorporated in BVI.

26. SHAREHOLDERS' FUNDS

Included in retained earnings is an amount of £605,143 (2017: £954,708) which is distributable to the shareholders.