

SOLO RETAIL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 2 AUGUST 2015



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SOLO RETAIL LIMITED

COMPANY INFORMATION

DIRECTORS

R W J Ford
M R A Ford

COMPANY SECRETARY

R W J Ford

REGISTERED NUMBER

07654433

REGISTERED OFFICE

Value House Stores Limited
Clovelly Road Industrial Estate
Bideford
Devon
EX39 3HN

INDEPENDENT AUDITORS

Bishop Fleming LLP
Chartered Accountants & Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

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SOLO RETAIL LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 2 AUGUST 2015

BUSINESS REVIEW

The directors consider the results and position of the group at the year end to be in line with expectations and comparable to similar organisations in the sector.

The directors monitor turnover, gross and net profit which are deemed to be the group's key financial indicators:

	2015	2014	Movement	Movement
	£	£	£	%
Turnover	7,657,634	9,270,087	(1,612,453)	(17)
Gross Profit	2,268,396	2,262,535	(5,861)	(0)
Net Profit	79,504	56,172	23,332	42

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive Risk

The group operates in a highly competitive price-led market and constantly reviews its retail offer so as not to be uncompetitive.

Financial Risk

The current economic climate has given rise to a liquidity risk. This is the risk that the group will encounter difficulty in meeting obligations associated with financial liabilities. This is managed by regular review of profit margins, stock levels and overheads by maintaining effective credit control over its wholesale debtors.

This report was approved by the board on 25 April 2016 and signed on its behalf.



R W J Ford
Director

SOLO RETAIL LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 2 AUGUST 2015

The directors present their report and the audited financial statements for the period ended 2 August 2015.

PRINCIPAL ACTIVITIES

The principal activity of the group is the operation of a retail outlet together with garden centres.

DIRECTORS

The directors who served during the period were:

R W J Ford
M R A Ford

FUTURE DEVELOPMENTS

There are no major future developments planned for the group. Further decreases in sales are expected and so we aim to maintain profit levels by actively controlling stock levels and overheads.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



R W J Ford
Secretary

Date: **25 APRIL 2016**

Value House Stores Limited
Clovelly Road Industrial Estate
Bideford
Devon
EX39 3HN

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 2 AUGUST 2015**

The directors are responsible for preparing the Group strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company'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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SOLO RETAIL LIMITED

We have audited the financial statements of Solo Retail Limited for the period ended 2 August 2015, set out on pages 6 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 2 August 2015 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Group strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

SOLO RETAIL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SOLO RETAIL LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept 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.

Bishop Fleming LLP

James Finnegan FCA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP

Chartered Accountants
Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: 28 April 2016

SOLO RETAIL LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 2 AUGUST 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	7,657,634	9,270,087
Cost of sales		(5,389,238)	(7,007,552)
GROSS PROFIT		2,268,396	2,262,535
Administrative expenses		(2,163,284)	(2,228,577)
Other operating income	3	91,423	104,925
Other operating charges		(34,160)	(40,340)
OPERATING PROFIT	4	162,375	98,543
Interest receivable and similar income		55	136
Interest payable and similar charges	7	(17,020)	(21,977)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		145,410	76,702
Tax on profit on ordinary activities	8	(33,129)	(20,530)
PROFIT FOR THE FINANCIAL PERIOD	17	112,281	56,172

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 10 to 21 form part of these financial statements.

SOLO RETAIL LIMITED
REGISTERED NUMBER: 07654433
CONSOLIDATED BALANCE SHEET
AS AT 2 AUGUST 2015

	Note	£	2 August 2015 £	£	3 August 2014 £
FIXED ASSETS					
Tangible assets	9		109,957		207,171
CURRENT ASSETS					
Stocks	11	1,262,823		1,228,731	
Debtors	12	1,232,442		1,351,890	
Cash at bank and in hand		320,476		231,688	
		<u>2,815,741</u>		<u>2,812,309</u>	
CREDITORS: amounts falling due within one year	13	<u>(1,402,572)</u>		<u>(1,573,185)</u>	
NET CURRENT ASSETS			<u>1,413,169</u>		<u>1,239,124</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,523,126</u>		<u>1,446,295</u>
CREDITORS: amounts falling due after more than one year	14		<u>-</u>		<u>(35,450)</u>
NET ASSETS			<u><u>1,523,126</u></u>		<u><u>1,410,845</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		9,999		9,999
Other reserves	17		10,162		10,162
Profit and loss account	17		1,502,965		1,390,684
SHAREHOLDERS' FUNDS	18		<u><u>1,523,126</u></u>		<u><u>1,410,845</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M R A Ford
Director



R W J Ford
Director

Date: 25 APRIL 2016

The notes on pages 10 to 21 form part of these financial statements.

SOLO RETAIL LIMITED
REGISTERED NUMBER: 07654433

COMPANY BALANCE SHEET
AS AT 2 AUGUST 2015

	Note	2 August 2015 £	3 August 2014 £
FIXED ASSETS			
Investments	10	9,999	9,999
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,999</u>	<u>9,999</u>
CAPITAL AND RESERVES			
Called up share capital	16	9,999	9,999
SHAREHOLDERS' FUNDS	18	<u>9,999</u>	<u>9,999</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M R A Ford
Director



R W J Ford
Director

Date: 25 APRIL 2016

The notes on pages 10 to 21 form part of these financial statements.

SOLO RETAIL LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 2 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	19	371,698	50,197
Returns on investments and servicing of finance	20	(16,965)	(21,841)
Taxation		(22,703)	(9,540)
CASH INFLOW BEFORE FINANCING		332,030	18,816
Financing	20	(249,953)	(255,202)
INCREASE/(DECREASE) IN CASH IN THE PERIOD		82,077	(236,386)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE PERIOD ENDED 2 AUGUST 2015**

	2015 £	2014 £
Increase/(Decrease) in cash in the period	82,077	(236,386)
Cash outflow from decrease in debt and lease financing	249,953	243,952
MOVEMENT IN NET DEBT IN THE PERIOD	332,030	7,566
Net debt at 4 August 2014	(863,428)	(870,994)
NET DEBT AT 2 AUGUST 2015	(531,398)	(863,428)

The notes on pages 10 to 21 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Solo Retail Limited and all of its subsidiary undertakings ('subsidiaries').

1.3 TURNOVER

Turnover comprises revenue recognised by the group in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short-term leasehold property	-	Over the life of the lease
Motor vehicles	-	25% straight line
Fixtures and fittings	-	10% - 33% straight line
Office equipment	-	10% straight line

1.5 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

1.6 OPERATING LEASES

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.7 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.8 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 PENSIONS

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the period.

2. TURNOVER

An analysis of turnover by class of business is as follows:

	2015 £	2014 £
United Kingdom	<u>7,657,634</u>	<u>9,270,087</u>

All turnover arose within the United Kingdom.

The whole of the turnover and profit before taxation from continuing activities is attributable to the group's principal activity.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015**
3. OTHER OPERATING INCOME

	2015 £	2014 £
Other operating income	2,023	6,215
Net rents receivable	88,573	97,254
Sundry income	827	1,456
	<u>91,423</u>	<u>104,925</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the group	97,214	116,795
Auditors' remuneration	14,350	14,350
Operating lease rentals:		
- other operating leases	19,609	17,739
	<u>19,609</u>	<u>17,739</u>

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	1,007,400	1,041,265
Social security costs	59,607	69,755
Other pension costs	11,553	13,352
	<u>1,078,560</u>	<u>1,124,372</u>

The average monthly number of employees, including the directors, during the period was as follows:

	2015 No.	2014 No.
Management	2	2
Selling	76	79
	<u>78</u>	<u>81</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015

6. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	<u>64,306</u>	<u>65,162</u>
Group pension contributions to defined contribution pension schemes	<u>10,403</u>	<u>12,077</u>

During the period retirement benefits were accruing to 1 director (2014: 1) in respect of defined contribution pension schemes.

7. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	16,528	20,976
On other loans	492	1,001
	<u>17,020</u>	<u>21,977</u>

8. TAXATION

	2015 £	2014 £
ANALYSIS OF TAX CHARGE IN THE PERIOD		
CURRENT TAX (see note below)		
UK corporation tax charge on profit for the period	33,129	22,703
Adjustments in respect of prior periods	-	(135)
TOTAL CURRENT TAX	<u>33,129</u>	<u>22,568</u>
DEFERRED TAX (see note 15)		
Origination and reversal of timing differences	-	(2,038)
TAX ON PROFIT ON ORDINARY ACTIVITIES	<u>33,129</u>	<u>20,530</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015

8. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE PERIOD

The tax assessed for the period is higher than (2014: higher than) the standard rate of corporation tax in the UK of 20.67% (2014: 22.33%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>145,410</u>	<u>76,702</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.67% (2014: 22.33%)	30,070	17,128
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,684	3,120
Capital allowances for period in excess of depreciation	2,596	5,812
Fixed asset differences	14,463	11,834
Adjustments to tax charge in respect of prior periods	-	(135)
Short term timing difference leading to an increase (decrease) in taxation	(9,724)	(9,740)
Unrelieved tax losses carried forward	(6,606)	(4,474)
Rate differences	-	(276)
Marginal relief	(354)	(701)
CURRENT TAX CHARGE FOR THE PERIOD (see note above)	<u>33,129</u>	<u>22,568</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There are no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015

9. TANGIBLE FIXED ASSETS

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
GROUP					
COST					
At 4 August 2014 and 2 August 2015	573,357	7,148	255,719	38,640	874,864
DEPRECIATION					
At 4 August 2014	403,561	6,150	228,627	29,355	667,693
Charge for the period	77,016	998	14,136	5,064	97,214
At 2 August 2015	480,577	7,148	242,763	34,419	764,907
NET BOOK VALUE					
At 2 August 2015	92,780	-	12,956	4,221	109,957
At 3 August 2014	169,796	998	27,092	9,285	207,171

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COMPANY	
COST OR VALUATION	
At 4 August 2014 and 2 August 2015	9,999
NET BOOK VALUE	
At 2 August 2015	9,999
At 3 August 2014	9,999

Details of the principal subsidiaries can be found under note number 25.

11. STOCKS

	GROUP		COMPANY	
	2 August 2015 £	3 August 2014 £	2 August 2015 £	3 August 2014 £
Finished goods and goods for resale	1,262,823	1,228,731	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015

12. DEBTORS

	GROUP		COMPANY	
	2 August 2015 £	3 August 2014 £	2 August 2015 £	3 August 2014 £
Trade debtors	64,915	83,460	-	-
Amounts owed by undertakings with common ownership	998,024	1,064,558	-	-
Other debtors	848	1,065	-	-
Prepayments and accrued income	86,138	120,290	-	-
Deferred tax asset (see note 15)	82,517	82,517	-	-
	1,232,442	1,351,890	-	-

13. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		COMPANY	
	2 August 2015 £	3 August 2014 £	2 August 2015 £	3 August 2014 £
Bank loans and overdrafts	163,623	221,982	-	-
Other loans	688,251	837,684	-	-
Trade creditors	234,942	195,870	-	-
Corporation tax	33,129	22,703	-	-
Other taxation and social security	151,705	144,932	-	-
Other creditors	13,407	14,457	-	-
Accruals and deferred income	117,515	135,557	-	-
	1,402,572	1,573,185	-	-

The bank holds a fixed and floating charge over all the current and futures assets of the group against borrowings.

Included within other loans are director's loan accounts totalling £386,392 (2014: £466,392) and associated interest of £321,860 (2014: £371,292). Interest on this loan is calculated at 2% above base rate and is repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015

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

	GROUP		COMPANY	
	2 August 2015 £	3 August 2014 £	2 August 2015 £	3 August 2014 £
Bank loans	-	35,450	-	-

Included within the above are amounts falling due as follows:

	GROUP		COMPANY	
	2 August 2015 £	3 August 2014 £	2 August 2015 £	3 August 2014 £
BETWEEN ONE AND TWO YEARS				
Bank loans	-	35,450	-	-

The bank holds a fixed and floating charge over all the current and futures assets of the group against borrowings.

15. DEFERRED TAXATION

	GROUP		COMPANY	
	2 August 2015 £	3 August 2014 £	2 August 2015 £	3 August 2014 £
At beginning of period	82,517	80,479	-	-
Released during the period (P&L)	-	2,038	-	-
At end of period	82,517	82,517	-	-

The deferred taxation balance is made up as follows:

	GROUP		COMPANY	
	2 August 2015 £	3 August 2014 £	2 August 2015 £	3 August 2014 £
Tax losses brought forward	82,517	71,669	-	-
Other timing differences	-	10,848	-	-
	82,517	82,517	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015**

16. SHARE CAPITAL

	2 August 2015 £	3 August 2014 £
ALLOTTED, CALLED UP AND FULLY PAID		
9,999 Ordinary shares of £1 each	<u>9,999</u>	<u>9,999</u>

17. RESERVES

	Other reserves £	Profit and loss account £
GROUP		
At 4 August 2014	10,162	1,390,684
Profit for the financial period		112,281
At 2 August 2015	<u>10,162</u>	<u>1,502,965</u>

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2 August 2015 £	3 August 2014 £
GROUP		
Opening shareholders' funds	1,410,845	1,354,673
Profit for the financial period	112,281	56,172
Closing shareholders' funds	<u>1,523,126</u>	<u>1,410,845</u>
 COMPANY	 2 August 2015 £	 3 August 2014 £
Shareholders' funds at 4 August 2014 and 2 August 2015	<u>9,999</u>	<u>9,999</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the period dealt with in the accounts of the company was £NIL (2014: £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	162,375	98,543
Depreciation of tangible fixed assets	97,214	116,795
Increase in stocks	(34,091)	(14,640)
Decrease in debtors	52,913	84,743
Decrease/(increase) in amounts owed by participating interests	66,534	(89,057)
Increase/(decrease) in creditors	26,753	(142,469)
Decrease in amounts owed to participating interests	-	(3,718)
NET CASH INFLOW FROM OPERATING ACTIVITIES	371,698	50,197

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	55	136
Interest paid	(17,020)	(21,977)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(16,965)	(21,841)
	2015 £	2014 £
FINANCING		
Repayment of loans	(100,520)	(109,738)
Repayment of other loans	(149,433)	(134,214)
Repayment of finance leases	-	(11,250)
NET CASH OUTFLOW FROM FINANCING	(249,953)	(255,202)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015**

21. ANALYSIS OF CHANGES IN NET DEBT

	4 August 2014 £	Cash flow £	Other non-cash changes £	2 August 2015 £
Cash at bank and in hand	231,688	88,788	-	320,476
Bank overdraft	(156,912)	(6,711)	-	(163,623)
	<u>74,776</u>	<u>82,077</u>	<u>-</u>	<u>156,853</u>
DEBT:				
Debts due within one year	(902,754)	249,953	(35,450)	(688,251)
Debts falling due after more than one year	(35,450)	-	35,450	-
	<u>(863,428)</u>	<u>332,030</u>	<u>-</u>	<u>(531,398)</u>
NET DEBT				

22. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £10,403 (2014: £12,077).

23. OPERATING LEASE COMMITMENTS

At 2 August 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2 August 2015 £	3 August 2014 £	2 August 2015 £	3 August 2014 £
GROUP				
EXPIRY DATE:				
Within 1 year	75,000	-	4,971	6,944
Between 2 and 5 years	132,116	147,116	14,687	19,107
After more than 5 years	-	60,000	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 2 AUGUST 2015**

24. RELATED PARTY TRANSACTIONS

The directors and shareholders of the group are also directors of Ipplepen Property Limited and Ipplepen Property Holdings Limited.

During the year, the group made purchases on behalf of Ipplepen Property Limited to the value of £Nil (2014: £16,328). The group also raised a management charge to Ipplepen Property Limited of £Nil (2014: £80,000). Ipplepen Property Limited made purchases on behalf of the group to the value of £Nil (2014: £14,897). As at 2 August 2015, £930,000 (2014: £1,044,932) was receivable from Ipplepen Property Limited.

During the year, the group made no transactions with Ipplepen Property Holdings Limited. As at 2 August 2015, £12,000 (2014: £12,000) was receivable from Ipplepen Property Holdings Limited.

During the period the directors maintained loan accounts with the group. At the period end the group owed the directors £366,391 (2014: £466,392) and associated interest of £321,860 (2014: £371,292).

The directors and shareholders of the company are also directors and shareholders of Knight Sterling Limited. During the period, the company recharged expense of £8,298 (2014: £7,626) to Knight Sterling Limited and as at 2 August 2015, £15,924 (2014: £7,626) was receivable from Knight Sterling.

25. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Value House Stores Limited	United Kingdom	100	Operation of a retail outlet and garden centre
Value House Stores (Weymouth) Limited	United Kingdom	60	Operation of a retail outlet and garden centre
Now4Pets Limited	United Kingdom	100	Non-trading