

Tilbrook Enterprise Limited

Registered number: 07228011

Directors' report and financial statements

For the year ended 31 March 2017



TILBROOK ENTERPRISE LIMITED

COMPANY INFORMATION

Directors	S Ahmed A Habib R Mirza
Registered number	07228011
Registered office	Mirza House Sherbourne Drive Tilbrook Milton Keynes Buckinghamshire MK7 8HY
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF

TILBROOK ENTERPRISE LIMITED

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TILBROOK ENTERPRISE LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2017

Introduction

The directors present their group strategic report and the financial statements for the year ended 31 March 2017.

Business review

The Holding Company ceased trading during the prior year. The principal activity of the Holding Company had been that of a shrink wrap distributor and is now that of a Holding Company.

The principal activity of the Subsidiary is that of shoe importers and wholesalers.

The Group has seen difficult trading conditions following on from the Brexit decision in mid 2016 which has resulted in reduced turnover in the year compared to 2016.

Revenue for the year under review decreased to £39.69m (2017) from £42.668m (2016). Gross profit decreased by 2.5% to £6.64m (2017) from £6.81m (2016) reflecting the competitive market the company operates in.

Principal risks and uncertainties

Management continually monitor the risks facing the Group together with assessing the controls used for managing these risks. The board of directors formally reviews and documents the principal risks facing the business at least annually.

The principal risks and uncertainties facing the Group are as follows:

Liquidity risk

The Group has arranged its borrowings over a period of time so as to ensure that it has sufficient liquid resources to meet the operating needs of the business.

Credit risk

Receivable balances are continually monitored and appropriate action is taken to recover them.

Financial key performance indicators

The directors monitor the progress of the Group by reference to the following KPIs. During the year, the Group has maintained performance under these KPIs through the management strategies in place.

Gross profit margin: 17% (2016: 16%)

Net profit margin: 2% (2016: 3%)

Stock turnover days: 86 (2016: 53)

Trade debtor days: 50 (2016: 51)

Trade creditor days: 146 (2016: 106)

TILBROOK ENTERPRISE LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

Customer satisfaction

The Group has retained its existing customers and added new customers to the portfolio during the year. Based on the individual customer-based dedicated management system, the Group has received positive feedback from existing customers for the business services provided to them during the year.

Staff retention

Staff are generally well-motivated and feel valued being part of a growing company. Staff levels have not changed significantly in the period.

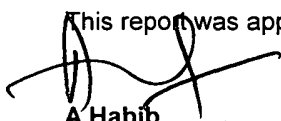
Future developments

We aim to build on our existing customer base and continue to grow the business through expansion into new geographical markets. The Group established a branch in the USA during the prior year and continues to progress this.

This report was approved by the board on

02 AUG 2017

and signed on its behalf.



A Habib
Director

TILBROOK ENTERPRISE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2017

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

Principal activity

The Holding Company held investments but did not actively trade during the year.

The principal activity of the Subsidiary and its branch in the United States of America is that of shoe importers and wholesalers.

Results and dividends

The profit for the year, after taxation, amounted to £436,326 (2016 - £1,131,661).

The directors are satisfied with the result for the year. Customer confidence has increased of late and this, together with new customers being gained, has seen the company grow in the year.

Directors

The directors who served during the year were:

S Ahmed
A Habib
R Mirza

Charitable Donations

During the year the Group made charitable donations of £8,189 (2016: £3,768).

Financial instruments

The Group has a commercial mortgage agreement in place to meet its financing requirements. The Group has other financial assets and liabilities such as trade receivables and trade payables arising directly from its operations.

Disclosure in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on page 1. These matters relate to key performance indicators, principal risks and uncertainties and future developments.

TILBROOK ENTERPRISE LIMITED

DIRECTORS' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2017**

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 for the Group's financial statements and then apply them consistently;
- make judgments 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 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.

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the 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 auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

TILBROOK ENTERPRISE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 02 AUG 17 and signed on its behalf.



A Habib
Director

TILBROOK ENTERPRISE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TILBROOK ENTERPRISE LIMITED

We have audited the financial statements of Tilbrook Enterprise Limited for the year ended 31 March 2017 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Ireland'.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 31 March 2017 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.

Opinion on the other matter prescribed by the Companies Act 2006

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

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

TILBROOK ENTERPRISE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TILBROOK ENTERPRISE LIMITED

Matters on which we are required to report by exception

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



Stephen Brown (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: 3 August 2017

TILBROOK ENTERPRISE LIMITED

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

	Note	Continuing operations 2017 £	Discontinued operations 2017 £	Total 2017 £	Continuing operations 2016 £	Discontinued operations 2016 £	Total 2016 £
Turnover	4	39,690,473	-	39,690,473	42,570,891	97,541	42,668,432
Cost of sales		(33,053,434)	-	(33,053,434)	(35,797,540)	(59,019)	(35,856,559)
Gross profit		6,637,039	-	6,637,039	6,773,351	38,522	6,811,873
Distribution costs		(2,648,750)	-	(2,648,750)	(2,567,947)	-	(2,567,947)
Administrative expenses		(3,330,300)	-	(3,330,300)	(2,712,451)	(86,099)	(2,798,550)
Other operating income		12,011	-	12,011	-	-	-
Operating profit	6	670,000	-	670,000	1,492,953	(47,577)	1,445,376
Interest receivable and similar income	10	468	-	468	2,517	551	3,068
Interest payable and similar expenses	11	(30,330)	-	(30,330)	(41,323)	-	(41,323)
Profit before tax		640,138	-	640,138	1,454,147	(47,026)	1,407,121
Tax on profit	12	(203,812)	-	(203,812)	(275,460)	-	(275,460)
Profit for the financial year		436,326	-	436,326	1,178,687	(47,026)	1,131,661
Profit for the year attributable to:							
Owners of the parent		436,326	-	436,326	1,178,687	(47,026)	1,131,661
		436,326	-	436,326	1,178,687	(47,026)	1,131,661

The notes on pages 18 to 44 form part of these financial statements.

TILBROOK ENTERPRISE LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
Profit for the financial year		436,326	1,131,661
Other comprehensive income			
Deferred tax movement on revaluation of tangible fixed assets		12,086	16,412
Other comprehensive income for the year		12,086	16,412
Total comprehensive income for the year		448,412	1,148,073

TILBROOK ENTERPRISE LIMITED
REGISTERED NUMBER: 07228011

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	13	(871,684)	(1,055,196)
Tangible assets	15	3,686,078	3,645,955
Investments	16	350,000	-
		<u>3,164,394</u>	<u>2,590,759</u>
Current assets			
Stocks	17	7,782,522	5,198,130
Debtors: amounts falling due after more than one year	18	-	19,325
Debtors: amounts falling due within one year	18	5,739,567	6,205,390
Cash at bank and in hand	19	3,284,018	3,406,154
		<u>16,806,107</u>	<u>14,828,999</u>
Creditors: amounts falling due within one year	20	(13,992,121)	(11,585,989)
Net current assets		<u>2,813,986</u>	<u>3,243,010</u>
Total assets less current liabilities		<u>5,978,380</u>	<u>5,833,769</u>
Creditors: amounts falling due after more than one year	21	(789,821)	(1,081,536)
Provisions for liabilities			
Deferred tax	24	(106,008)	(118,094)
		<u>(106,008)</u>	<u>(118,094)</u>
Net assets		<u><u>5,082,551</u></u>	<u><u>4,634,139</u></u>

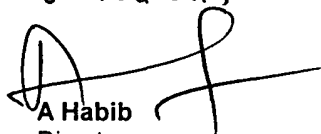
TILBROOK ENTERPRISE LIMITED
REGISTERED NUMBER: 07228011

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital	25	99,000	99,000
Share premium account	26	485,460	485,460
Revaluation reserve	26	483,654	471,568
Capital redemption reserve	26	11,000	11,000
Merger reserve	26	448,409	448,409
Profit and loss account	26	3,555,028	3,118,702
		<u>5,082,551</u>	<u>4,634,139</u>

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

02 AUG 2017


A Habib
Director

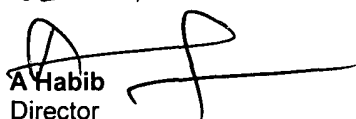
The notes on pages 18 to 44 form part of these financial statements.

TILBROOK ENTERPRISE LIMITED
REGISTERED NUMBER: 07228011

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	16	598,340	598,340
		<u>598,340</u>	<u>598,340</u>
Current assets			
Debtors: amounts falling due within one year	18	180,962	559,619
Cash at bank and in hand	19	7,711	39,866
		<u>188,673</u>	<u>599,485</u>
Creditors: amounts falling due within one year	20	(698,207)	(629,800)
Net current liabilities		<u>(509,534)</u>	<u>(30,315)</u>
Total assets less current liabilities		<u>88,806</u>	<u>568,025</u>
Net assets		<u>88,806</u>	<u>568,025</u>
Capital and reserves			
Called up share capital	25	99,000	99,000
Share premium account	26	485,460	485,460
Capital redemption reserve	26	11,000	11,000
Profit and loss account brought forward		(27,435)	19,589
Loss for the year		<u>(479,219)</u>	<u>(47,024)</u>
Profit and loss account carried forward		<u>(506,654)</u>	<u>(27,435)</u>
		<u>88,806</u>	<u>568,025</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 02.08.17


A Habib
 Director

TILBROOK ENTERPRISE LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Called up share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Merger reserve	Profit and loss account	Total equity
	£	£	£	£	£	£	£
At 1 April 2016	99,000	485,460	11,000	471,568	448,409	3,118,702	4,634,139
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	436,326	436,326
Deferred tax on revaluation of leasehold property	-	-	-	12,086	-	-	12,086
Other comprehensive income for the year	-	-	-	12,086	-	-	12,086
Total comprehensive income for the year	-	-	-	12,086	-	436,326	448,412
Total transactions with owners	-	-	-	-	-	-	-
At 31 March 2017	<u>99,000</u>	<u>485,460</u>	<u>11,000</u>	<u>483,654</u>	<u>448,409</u>	<u>3,555,028</u>	<u>5,082,551</u>

TILBROOK ENTERPRISE LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Called up share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Merger reserve	Profit and loss account	Total equity
	£	£	£	£	£	£	£
At 1 April 2015	99,000	485,460	11,000	455,156	448,409	1,987,041	3,486,066
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	1,131,661	1,131,661
Movement in deferred tax on revaluation of leasehold property	-	-	-	16,412	-	-	16,412
Other comprehensive income for the year	-	-	-	16,412	-	-	16,412
Total comprehensive income for the year	-	-	-	16,412	-	1,131,661	1,148,073
Total transactions with owners	-	-	-	-	-	-	-
At 31 March 2016	<u>99,000</u>	<u>485,460</u>	<u>11,000</u>	<u>471,568</u>	<u>448,409</u>	<u>3,118,702</u>	<u>4,634,139</u>

The notes on pages 18 to 44 form part of these financial statements.

TILBROOK ENTERPRISE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2016	99,000	485,460	11,000	(27,435)	568,025
Comprehensive income for the year					
Loss for the year	-	-	-	(479,219)	(479,219)
Other comprehensive income for the year					
	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(479,219)	(479,219)
Total transactions with owners	-	-	-	-	-
At 31 March 2017	<u>99,000</u>	<u>485,460</u>	<u>11,000</u>	<u>(506,654)</u>	<u>88,806</u>

TILBROOK ENTERPRISE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2015	99,000	485,460	11,000	19,589	615,049
Comprehensive income for the year					
Loss for the year	-	-	-	(47,024)	(47,024)
Other comprehensive income for the year					
	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(47,024)	(47,024)
Total transactions with owners	-	-	-	-	-
At 31 March 2016	<u>99,000</u>	<u>485,460</u>	<u>11,000</u>	<u>(27,435)</u>	<u>568,025</u>

The notes on pages 18 to 44 form part of these financial statements.

TILBROOK ENTERPRISE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	436,326	1,131,661
Adjustments for:		
Amortisation of intangible assets	(183,512)	(183,512)
Depreciation of tangible assets	67,424	78,053
Loss on disposal of tangible assets	(193)	(2,148)
Increase in stocks	(2,584,392)	734,754
Interest paid	30,330	41,323
Interest received	(468)	(3,068)
Taxation	203,812	275,460
Increase in debtors	484,556	187,754
Increase in creditors	2,611,744	(1,608,182)
Corporation tax	(355,491)	(406,946)
Net cash generated from operating activities	<u>710,136</u>	<u>245,149</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(109,635)	(40,249)
Sale of tangible fixed assets	2,281	15,349
Purchase of share in associates	(350,000)	-
Interest received	468	3,068
Net cash from investing activities	<u>(456,886)</u>	<u>(21,832)</u>
Cash flows from financing activities		
Repayment of loans	(345,056)	(334,588)
Interest paid	(30,330)	(41,323)
Net cash used in financing activities	<u>(375,386)</u>	<u>(375,911)</u>
Net increase / (decrease) in cash and cash equivalents	<u>(122,136)</u>	<u>(152,594)</u>
Cash and cash equivalents at beginning of year	3,406,154	3,558,748
Cash and cash equivalents at the end of year	<u><u>3,284,018</u></u>	<u><u>3,406,154</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,284,018	3,406,154
	<u><u>3,284,018</u></u>	<u><u>3,406,154</u></u>

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Tilbrook Enterprise Limited ("the Company") is a private company limited by shares incorporated in England and Wales. The address of its registered office and principal place of business is Mirza House, Sherbourne Drive, Tilbrook, Milton Keynes, Buckinghamshire, MK7 8HY.

The principal activity of the Company is that of a holding company.

These financial statements are presented in Pound Sterling (£) as this is the currency of the primary economic environment in which the Company operates.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ('FRS 102') and applicable legislation as set out in the Companies Act 2006 and Schedule 1 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical costs convention except for certain land and buildings which are stated at revaluation.

In preparing these financial statements, the Group has not taken advantage of any disclosure exemptions, as permitted by FRS 102 paragraph 1.12.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated income statement from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 April 2014.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.3 Going Concern

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks, including an assessment of uncertainty on future trading projection for a period of at least twelve months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on this assessment, the directors consider that the Group maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations of external debt liabilities.

In addition, the Group's assets are assessed for recoverability on a regular basis, and the directors consider that the Group is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the Group's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.5 Taxation

Tax expense for the period comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future gives rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is also recognised in relation to the revaluation of certain assets. Income or expenses from a subsidiary, which is recognised in the financial statements will be assessed to or allowed for tax in a future period, except where the reporting entity it is able to control the reversal of the timing differences, and it is probable that the timing difference will not reverse in the foreseeable future. In addition deferred tax is recognised through fair value adjustments arising on business combinations.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.6 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income statement over its useful economic life of 10 years.

2.7 Investments

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Freehold property	- 4% on a reducing balance basis
L/Term Leasehold Property	- Flat was not amortised in the year, as it has always been maintained in a good state of repair to accommodate visitors from abroad.
Plant & machinery	- 25% on a reducing balance basis
Motor vehicles	- 25% on a reducing balance basis
Fixtures & fittings	- 25% on a reducing balance basis
Office equipment	- 25% on a reducing balance basis
Freehold property	- Freehold property includes land which is not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the Consolidated statement of comprehensive income.

2.9 Impairment of assets

At each reporting date the Group reviews the carrying value of its 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.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to profit or loss in administration expenses.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.10 Revaluation of tangible fixed assets

Long term leasehold property is carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.11 Inventory

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Finished goods and goods for resale consist of the purchase price, transport and handling costs.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Leases

Lease arrangements are classified as a finance lease where the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other lease arrangements are classified as an operating lease.

Payments made under operating lease arrangements are charged to profit or loss on a straight-line basis over the lease term. Benefits receivable as operating lease incentives are recognised within profit or loss on a straight-line basis over the lease term.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.13 Financial instruments

Financial assets and liabilities are recognised when the Group becomes party to the contractual provisions of the financial instrument. The Group holds basic financial instruments, which comprise cash and cash equivalents, trade and other receivables, trade and other payables and loans and borrowings. The Group has chosen to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments in full.

Financial assets – classified as basic financial instruments

(i) Cash and cash equivalents

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

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment. At the end of each reporting period, the Group assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities – classified as basic financial instruments

(iii) Trade and other payables and loans and borrowings

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

2.14 Equity

Equity instruments are classified in accordance with the substance of the contractual agreement. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.15 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income statement within 'administrative expenses'.

2.16 Finance costs

Finance costs are charged to the Consolidated income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.18 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payments obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.19 Interest income

Interest income is recognised in the Consolidated income statement using the effective interest method.

2.20 Borrowing costs

All borrowing costs are recognised in the Consolidated income statement in the year in which they are incurred.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the Group's accounting policies, the directors are required to make judgments, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgments, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgments, estimates and assumptions, the actual results and outcomes may differ.

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 period.

Critical judgments in applying the Group's accounting policies

The critical judgments that the directors have made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the directors have considered both external and internal sources of information, such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimating value in use

Where an indication of impairment exists, the directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

(ii) Recoverability of receivables

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

(iii) Determining residual values and useful economic lives of property, plant and equipment

The Group depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use, and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

Judgment is applied by management when determining the residual values for plant, machinery and equipment. When determining the residual value, management aims to assess the amount that the Group would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

(iv) Stock Provision

The Group establishes a provision for stock that is slow-moving, obsolete, or damaged. The Group has identified which stock items should be provided for given its knowledge of the relevant inventory lines.

(v) Impairment of investments

Investments are held at cost less provision for impairment. Management review the performance of entities they hold investments in for indication of impairment. If such an indicator is present then a more detailed review of the carrying value of investments is undertaken.

4. Turnover

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

	2017 £	2016 £
Shoe import and wholesale	39,690,473	42,570,891
Shrink wrap sales	-	97,541
	<u>39,690,473</u>	<u>42,668,432</u>

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	38,683,998	42,365,416
USA	1,006,475	303,016
	<u>39,690,473</u>	<u>42,668,432</u>

5. Other operating income

	2017 £	2016 £
Insurance claims receivable	12,011	-
	<u>12,011</u>	<u>-</u>

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

6. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	67,424	78,053
Amortisation of intangible assets, including goodwill	(183,512)	(183,512)
Exchange differences	(28,029)	357
Other operating lease rentals	73,895	64,062
Bad debt provision	479,158	-
(Profit)/Loss on disposal of fixed assets	(193)	(2,148)
	<u> </u>	<u> </u>

7. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	22,250	22,850
	<u>22,250</u>	<u>22,850</u>
Fees payable to the Group's auditor and its associates in respect of:		
iXBRL tagging	500	500
Auditors' remuneration - tax compliance	4,050	4,050
Company secretarial	1,000	1,000
	<u>5,550</u>	<u>5,550</u>

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

8. Employees

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

	2017 £	2016 £
Wages and salaries	893,574	773,726
Social security costs	134,847	118,170
Cost of defined contribution scheme	39,932	35,200
	<u>1,068,353</u>	<u>927,096</u>

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

	2017 No.	2016 No.
Distribution staff	9	9
Sales and development staff	8	8
Administrative staff	4	4
	<u>21</u>	<u>21</u>

9. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	454,701	465,051
	<u>454,701</u>	<u>465,051</u>

The highest paid director received remuneration of £190,450 (2016 - £192,908).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £24,640 (2016 - £23,600).

Emoluments of 1 director (2016: 1) were paid by the subsidiary undertaking, Mirza (UK) Limited during the year amounting to £33,595 (2016: £32,232).

Directors' emoluments include pension contributions totalling £36,230 (2016: £33,200) made to 4 directors (2016: 3).

The remuneration of key management personnel is considered to be the same as for the directors of the Company.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

10. Interest receivable

	2017 £	2016 £
Other interest receivable	468	3,068
	<u>468</u>	<u>3,068</u>

11. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	30,330	41,323
	<u>30,330</u>	<u>41,323</u>

12. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	186,725	270,046
	<u>186,725</u>	<u>270,046</u>
Total current tax	<u>186,725</u>	<u>270,046</u>
Deferred tax		
Movement in timing differences	17,087	5,414
Total deferred tax	<u>17,087</u>	<u>5,414</u>
Taxation on profit on ordinary activities	<u>203,812</u>	<u>275,460</u>

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	640,138	1,407,121
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	128,028	281,424
Effects of:		
Fixed asset differences	(7,259)	13,035
Goodwill amortisation	(36,702)	(36,702)
Disallowable expenditure	108,037	10,251
(Profit)/Loss on sale of fixed assets	(39)	(430)
Deferred tax not recognised	-	4,805
Other differences leading to an increase (decrease) in the tax charge	-	(181)
Differences in tax rates on deferred tax	11,747	3,258
Total tax charge for the year	203,812	275,460

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

12. Taxation (continued)

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) was substantively enacted in October 2015. A further reduction in the UK corporation tax rate to 17% (effective from 1 April 2020) was substantively enacted in September 2016 and therefore has also been considered when calculating deferred tax at the reporting date.

13. Intangible assets

Group and Company

	Goodwill £
Cost	
At 1 April 2016	(1,835,122)
At 31 March 2017	<u>(1,835,122)</u>
Amortisation	
At 1 April 2016	(779,926)
Charge for the year	(183,512)
At 31 March 2017	<u>(963,438)</u>
Net book value	
At 31 March 2017	<u>(871,684)</u>
At 31 March 2016	<u>(1,055,196)</u>

14. Parent Company Loss/Profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income statement in these financial statements. The loss after tax of the parent Company for the year was £479,219 (2016 - loss £47,024).

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

15. Tangible fixed assets

Group

	Freehold property £	L/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation						
At 1 April 2016	2,052,008	1,700,000	118,876	45,776	43,321	3,960,481
Additions	13,597	-	83,030	-	13,008	109,635
Disposals	-	-	(76,770)	-	(9,280)	(86,050)
At 31 March 2017	2,065,605	1,700,000	125,136	45,776	47,549	3,984,066
Depreciation						
At 1 April 2016	199,746	-	71,176	25,442	18,162	314,526
Charge for the period on owned assets	40,047	-	15,044	5,083	7,250	67,424
Disposals	-	-	(75,299)	-	(8,663)	(83,962)
At 31 March 2017	239,793	-	10,921	30,525	16,749	297,988
Net book value						
At 31 March 2017	1,825,812	1,700,000	114,215	15,251	30,800	3,686,078
At 31 March 2016	1,852,262	1,700,000	47,700	20,334	25,659	3,645,955

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

15. Tangible fixed assets (continued)

Cost or valuation at 31 March 2017 is as follows:

	Land and buildings £
At cost (Freehold property)	2,065,605
At valuation (L/Term Leasehold property):	
The long term Leasehold Property was valued in July 2014 by Knight Frank and Savills, both independent, qualified professional valuers. Fair value of the land and buildings was determined using an open market existing use basis.	
This means that valuations performed by the valuer are based on active market prices, significantly adjusted for differences in the nature, location or condition of the specific property. The directors have used these valuations as a basis for the revaluation and consider the value at 31 March 2017 to be unchanged.	
	1,700,000
	<u>3,765,605</u>

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

15. Tangible fixed assets (continued)

If the L/Term leasehold property had not been included at valuation they would have been included under the historical cost convention as follows:

	2017 £	2016 £
Group		
Cost	1,110,338	1,110,338
Net book value	<u>1,110,338</u>	<u>1,110,338</u>

16. Fixed asset investments

Group

	Investments in associates £
Cost or valuation	
Additions	350,000
At 31 March 2017	<u>350,000</u>
Net book value	
At 31 March 2017	<u>350,000</u>
At 31 March 2016	<u>-</u>

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

16. Fixed asset investments (continued)

Company

	Investment in subsidiary companies £
Cost	
At 1 April 2016 and 31 March 2017	598,340
Net book value	
At 31 March 2017	598,340
	<u>598,340</u>
At 31 March 2016	<u>598,340</u>

Details of the principal subsidiaries can be found under note number 34.

At 1 May 2011, the company held 45% of the ordinary share capital of Mirza (UK) Limited. On 15 December 2011, Mirza (UK) Limited purchased and cancelled its own shares increasing the company's effective holding to 82%. From this date, the investment which was previously classified as a trade investment became an investment in subsidiary undertaking.

On 2 February 2012, the company acquired 18.3% of the ordinary share capital of Mirza (UK) Limited to increase its shareholding to 100%.

17. Inventory

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Finished goods and goods for resale	7,782,522	5,198,130	-	-
	<u>7,782,522</u>	<u>5,198,130</u>	<u>-</u>	<u>-</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Inventory recognised as an expense in the period was £33,053,434 (2016: £35,856,559). There is an impairment to inventories of £1,332,996 at 31 March 2017 (2016: £1,190,405).

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

18. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Due after more than one year				
Other debtors	-	19,325	-	-
	-	19,325	-	-
	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Due within one year				
Trade debtors	5,448,419	6,000,267	180,962	559,619
Other debtors	17,153	26,749	-	-
Prepayments and accrued income	257,455	161,243	-	-
Tax recoverable	16,496	-	-	-
Deferred taxation	44	17,131	-	-
	5,739,567	6,205,390	180,962	559,619

19. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	3,284,018	3,406,154	7,711	39,866
	3,284,018	3,406,154	7,711	39,866

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

20. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Bank loans	321,879	375,220	-	-
Trade creditors	13,246,229	10,389,188	-	-
Amounts owed to group undertakings	-	-	698,207	548,207
Corporation tax	-	152,271	-	-
Other tax and social security	312,191	482,088	-	-
Accruals and deferred income	111,822	187,222	-	81,593
	<u>13,992,121</u>	<u>11,585,989</u>	<u>698,207</u>	<u>629,800</u>

Secured loans

The bank loans are secured by a first legal charge over the Group's freehold property.

21. Creditors: Amounts falling due after more than one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Bank loans	789,821	1,081,536	-	-
	<u>789,821</u>	<u>1,081,536</u>	<u>-</u>	<u>-</u>

Secured loans

The bank loans are secured by a first legal charge over the Group's freehold property.

The bank loan balances due under 5 years consist of a commercial mortgage facility of £245,000 which is being repaid in installments of £19,954 per month subject to an interest rate of 2% above the Bank of England base rate.

The bank loan balances due in over 5 years consist of a commercial mortgage facility of £945,000 which is being repaid in instalments of £11,314 per month subject to an interest rate of 2% above the Bank of England base rate.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

22. Loans

Analysis of the maturity of loans is given below:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Amounts falling due within one year				
Bank loans	321,879	375,220	-	-
	<u>321,879</u>	<u>375,220</u>	<u>-</u>	<u>-</u>
Amounts falling due 1 - 2 years				
Bank loans	135,772	314,809	-	-
	<u>135,772</u>	<u>314,809</u>	<u>-</u>	<u>-</u>
Amounts falling due 2 - 5 years				
Bank loans	407,315	407,316	-	-
	<u>407,315</u>	<u>407,316</u>	<u>-</u>	<u>-</u>
Amounts falling due after more than 5 years				
Bank loans	246,734	359,411	-	-
	<u>246,734</u>	<u>359,411</u>	<u>-</u>	<u>-</u>

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

23. Financial instruments

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Financial assets				
Financial assets measured at fair value through profit or loss	3,284,018	3,406,154	7,711	39,866
Financial assets that are debt instruments measured at amortised cost	5,465,573	6,046,338	180,963	559,618
	<u>8,749,591</u>	<u>9,452,492</u>	<u>188,674</u>	<u>599,484</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(14,469,752)	(12,033,165)	(698,208)	(629,801)
	<u>(14,469,752)</u>	<u>(12,033,165)</u>	<u>(698,208)</u>	<u>(629,801)</u>

Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, amounts owed by group undertakings and other debtors.

Financial assets that are equity instruments measured at cost less impairment comprise of trade creditors, bank loans, amounts owed to group undertakings, other creditors, accruals and deferred income.

24. Deferred taxation

Group

	2017 £	2016 £
At beginning of year	(100,963)	(111,961)
Charged to other comprehensive income	12,086	16,412
Utilised in year	(17,087)	(5,414)
At end of year	<u>(105,964)</u>	<u>(100,963)</u>

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

24. Deferred taxation (continued)

	Group 2017 £	Group 2016 £
Accelerated capital allowances	44	17,131
Revaluation of leasehold property	(106,008)	(118,094)
	<u>(105,964)</u>	<u>(100,963)</u>
Comprising:		
Asset - due within one year	44	17,131
Liability	(106,008)	(118,094)
	<u>(105,964)</u>	<u>(100,963)</u>

There are no deferred tax balances within the company.

25. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
990 Ordinary shares of £100 each	<u>99,000</u>	<u>99,000</u>

The Company has one class of ordinary shares which carry voting rights but no right to fixed income.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

26. Reserves

Share premium account

This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

Revaluation reserve

This reserve represents the cumulative revaluation gains and losses on revaluation of land and buildings held as tangible assets.

Capital redemption reserve

This reserve represents the cost of the shares bought back by the Company from shareholders.

Merger Reserve

This reserve is from the acquisition of Mirza (UK) Limited. The investment in Mirza (UK) Limited has been recorded using the fair value of the equity consideration issued. In accordance with Companies Act 2006, s612, merger relief has been applied with the difference between the nominal value of the shares issued of £20,100 and their fair value of £468,509 being recorded in the merger reserve.

Profit & loss account

This reserve represents cumulative profits and losses, after deductions of dividends paid.

27. Discontinued operations

In the prior year, the company ceased to trade in respect of the shrink wrap business it had undertaken.

28. Capital commitments

At 31 March 2017, the Group is committed to purchase a further 21.16% stake in Genesis River View Resorts Private Limited for a sum in the region of £1,900,000.

29. Pension commitments

The Group makes payments to employees' own pension schemes. The pension cost charge represents contributions payable by the Group to the schemes and amounted to £39,932 (2016: £35,200). There were no amounts outstanding at year end (2016 - £Nil).

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

30. Commitments under operating leases

At 31 March 2017 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2017 £	Group 2016 £
Not later than 1 year	73,396	61,784
Later than 1 year and not later than 5 years	60,505	68,582
Total	133,901	130,366

The company has no operating lease commitments.

31. Related party transactions

As the subsidiary is wholly owned by Tilbrook Enterprise Limited, the group has taken advantage of the exemption contained in FRS 102 section 33 and has therefore not disclosed transactions or balances with entities which form part of the Group.

Mirza International Limited

During the year, Mirza (UK) Limited made purchases of £35,638,352 (2016: £34,985,745) from Mirza International Limited, a company incorporated in India and in which Mr Rashid Ahmed Mirza and Mr Tauseef Mirza are directors. As at the balance sheet date Mirza (UK) Limited owed to Mirza International Limited, a sum included within Trade Creditors totalling £12,846,641 (2016: £10,131,204).

32. Events after the reporting date

There were no post-balance sheet events.

33. Guarantees

Mirza (UK) Limited has provided HSBC Plc with an unlimited multilateral guarantee in relation to the facilities it provides to Tilbrook Enterprise Limited.

34. Controlling party

In the opinion of the directors, no shareholder has ultimate control.

TILBROOK ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

35. Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Holding	Principal activity
Mirza (UK) Limited	England and Wales	100 %	Shoe importer and wholesaler

The aggregate of the share capital and reserves as at 31 March 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Mirza (UK) Limited	6,463,769	744,121
	<u>6,463,769</u>	<u>744,121</u>