26 February 2019

Hotel Chocolat Group plc
(“Hotel Chocolat”, the "Company” or the "Group”)
Interim Results

Hotel Chocolat Group plc, a premium British chocolatier and omni-channel retailer, today announces its interim results for the 26 weeks ended 30 December 2018.

Financial highlights:

- Revenue up 13% to £80.7m (H1 FY18: £71.7m)
- Underlying EBITDA up 10% to £17.3m (H1 FY18: £15.8m)[1]
- Excluding new US & Japan start-ups, profit before tax up 11% to £14.4m (H1 FY18: £12.9m)
- Reported profit before tax up 7% to £13.8m (H1 FY18: £12.9m)
- Profit after tax up 7% to £10.8m (H1 FY18: £10.1m)
- Cash flows from operating activities up 18% to £29.5m (H1 FY18: £24.9m)
- Strong balance sheet with net cash at period end of £21.8m (H1 FY18: £18.3m)
- Earnings per share up 7% to 9.6p (H1 FY18: 9.0p)
- Interim dividend of 0.6p per share (H1 FY18: 0.6p)

Operational highlights:

- Strong sales growth across retail, digital & wholesale channels
- Successful Christmas ranges delivered growth
- 14 new stores opened in UK & Eire, contributing 4% to Group sales growth
- New VIP Me loyalty card attracted 0.5m active customers
- Velvetiser in-home Hot Chocolat maker launched and exceeded initial expectations six-fold
- Digital growth through own website and new third-party wholesale to digital retailers
- Encouraging launches of first stores in New York, and in Tokyo (with Joint Venture partner)

[1] Underlying EBITDA in H1 FY19 excludes £0.4m of share-based charges (H1 FY18: £0.4m).

Angus Thirlwell, Co-founder and Chief Executive Officer of Hotel Chocolat, said:

“This has been another period of progress for Hotel Chocolat with strong growth in sales, profits and cash generation. The critical Christmas period was again successful, supported by the launch of our new and innovative Velvetiser Hot Chocolate maker and by a deepening relationship with our customers via the new VIP Me scheme. Both developments will also support our plans for the key spring seasons of Mother’s Day and Easter.

“Growth in the UK continued to deliver improvements in profitability which have enabled us to invest in the launch of two new start-ups in New York and Tokyo, both of which are showing encouraging early signs, in terms of customer response and the initial store sales performance.

“I would like to thank everyone in the Hotel Chocolat team for their dedication in delivering another successful Christmas.

“Recent trading, including the Valentine’s period, is in line with the Board’s expectations and we continue to make good progress against our key strategic objectives of opening more stores, improving our digital capability and increasing our production capacity whilst testing and learning in two large new territories.”

For further information:

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Notes to Editors:
Hotel Chocolat is a premium British chocolatier with a strong and distinctive brand. The business was founded in 1993 by Angus Thirlwell and Peter Harris and has traded under the Hotel Chocolat brand since 2003. The Group sells its products online and through a network of stores in the UK and abroad. The Group has a cocoa plantation and eco-hotel in Saint Lucia, offering complete cocoa immersion thorough tree-to-bar experiences and wellness treatments. The Group also has a flagship restaurant and cocoa roastery in London's Borough Market: Rabot 1745. The Group was admitted to trading on AIM in 2016.

Chief Executive's statement (inclusive of financial review)

RESULTS

	Period ended 30 December 2018 £000	Period ended 31 December 2017 £000
Revenue	**80,719**	**71,709**
Gross profit	53,097	49,107
Operating expenses	(35,767)	(33,316)
Underlying EBITDA	**17,330**	**15,791**
Share-based payments	(408)	(367)
EBITDA	16,922	15,425
Depreciation & amortisation	(2,793)	(2,207)
Loss on disposal of property, plant & equipment	(24)	(9)
Operating profit	**14,104**	**13,209**
Finance income	5	16
Finance expense	(179)	(296)
Share of joint venture results	(84)	7
Profit before tax	**13,847**	**12,936**
Tax expense	(3,045)	(2,821)
Profit for the period	**10,802**	**10,115**
Earnings per share – Basic	9.6p	9.0p
Earnings per share – Diluted	9.5p	8.9p
Dividend per share	0.6p	0.6p

CHIEF EXECUTIVE'S STATEMENT

I am pleased to report continued progress for the Hotel Chocolat brand during the 26 weeks to 30 December 2018. Revenue for the period increased by 13% and underlying EBITDA increased by 10%. Hotel Chocolat delivered growth across all its channels, benefitting from strong new products, successful marketing and loyalty campaigns, and the continued growth of digital wholesale partners. The business remains focused on four key pillars of its growth strategy:

1) Open stores

We opened 14 new stores in the UK and Eire during the period. Our established stores continue to generate attractive returns, and the new stores opened over the last 3 years are achieving their payback targets suggesting that further attractive opportunities remain, which we will continue to evaluate on a site-by-site basis.

There has been much media attention regarding the future of physical retail. Whilst macro-economic trends have undoubtedly created headwinds, we obviously continually evaluate the performance of our stores. We remain confident that further new openings can deliver attractive financial returns and improve customers' ease of access to our brand. All of our stores trading for longer than 12 months are profitable, and the latest vintage of openings are delivering comparable EBITDA per site to that of the earliest stores.

The Board have modelled 3 scenarios, based on various growth rates and cost inflation for our physical estate:

1) A continuation of the FY18 growth rates for sales and for overhead costs would mean that store estate profitability would rise in future years.

2) A more pessimistic scenario, reflecting a drop to negative sales growth, and with externally driven cost inflation at rates in excess of FY18, would still mean that the retail estate would continue to generate significant EBITDA profit in 5 years' time. (Our average lease length is 5 years).

3) As a Board we are focusing all of our energies on delivering a third, and better, scenario which has the scope to generate a material increase in EBITDA, by:

- Increasing the rate of sales growth, driven by product innovation, gaining a deeper relationship with our customers via the recently launched VIP ME rewards card, and empowering our store teams to deliver an even better experience for our guests.

- Mitigating cost pressures using a combination of better buying, further innovation in our processes, and perpetual focus on working smarter whilst never compromising on product quality or service experience.

2) Increase capacity and capture efficiencies from the vertically integrated supply chain
Our manufacturing operations again delivered improved efficiency and benefitted gross margin rate. However, these gains were offset by our sales growth being partly driven by lower margin but less capital-intensive wholesale accounts and from the new Velvetiser Hot Chocolat maker which is manufactured by a third party at a dilutive margin rate. A full explanation of margin rate is included in the financial review below. The lower margins on the new sales channels are mitigated by lower overheads attaching to these sales.

3) New digital proposition to grow customer base and improve gifting proposition
Digital revenues, comprising website, subscriptions and digital wholesale partners grew by 22%, or by 29% if expressed at retail prices.

- The website delivered a 25% year-on-year growth driven by an increase in traffic and from sales of the Velvetiser.
- Subscription sales declined by 25% due to the pause of new customer acquisition pending development of new subscription models for hot chocolat consumables.

4) Cautious 'test, learn, grow' approach to new international markets
In late November the Group opened its first joint venture store in Tokyo, shortly followed by its first pilot store in New York, and; the Board believes that both markets offer significant potential for future growth. A modest number of store openings in each market will be used to test the consumer response, the supply chain economics, and to build a business case for potential roll-out. Initial consumer response in both markets has been encouraging; the brand appears to resonate with consumers, the breadth of range is proving popular with local tastes, and pricing has been received as fair and reasonable. Whilst it is too soon to meaningfully conclude on the store economics, the new sites are performing in line with expectations and based on the first 10 weeks of trading both stores would rank as top quartile within the UK estate.

In July 2018 the Group transferred its two Danish stores to a local partner under a franchise development agreement covering the Nordic Region. The partner has opened two further stores in the period.

FINANCIAL REVIEW
Revenue
Group revenue increased by 13% to £80.7m. 14 new stores were opened in the UK & Eire during the period contributing 4% to the Group's year-on-year growth. Retail, digital and wholesale all delivered sales growth.

Profit Before Tax
Reported Profit before Tax increased by 7% to £13.8m. This profit includes losses of £0.5m relating to the launch in the USA and £0.1m relating to the Group's 20% interest in the new Japanese joint venture. Excluding the impact of the two international start-ups, Group profit before tax increased by 11% to £14.4m.

Gross margin
Gross margin declined by 270 basis points from 68.5% to 65.8%, primarily due to the following four impacts:

- The Velvetiser is manufactured by a third party resulting in a lower gross margin, but also lower incremental overhead. The mix impact of Velvetiser sales reduced group margin by 100 basis points.
- The New VIP Me loyalty scheme offers customer benefits including some additional discounts, the impact of signup incentive rewards reduced gross margin by 100 basis points.
- Growth of sales from lower margin wholesale accounts reduced gross margin by 30 basis points. These accounts attract minimal incremental overhead.
- Further factory efficiencies improved gross margin by 50 basis points, which mitigated 40 basis points of adverse impact from Foreign Exchange due to the decline of sterling in 2016 (foreign exchange purchases are hedged up to 18 months in advance). The adverse exchange impact will not continue in H2 and we continue to see opportunities to further improve factory efficiency.

Operating expense
Operating expenses grew by 7%, which was significantly slower than the rate of sales growth, as a result operating expenses as a percent of sales reduced from 46.5% to 44.3%. Inflationary cost increases were partly mitigated by the impact of growing sales from wholesale and the Velvetiser, each of which generate lower incremental overheads than other sales.

Underlying EBITDA
Underlying EBITDA increased 10% to £17.3m. Excluding the impact of the launches in the USA and Japan, underlying EBITDA increased 13% to £17.8m.

Share based payments
Share-based payment expense of £0.4m (H1 FY18: £0.4m) related to the share-based Long-Term Incentive Plan and an all-employee Save As You Earn plan.

Foreign currency
The business manufactures the majority of its products in the UK, however it does purchase some premium ingredients in foreign currencies, predominantly Euros. The Group hedges its forecast Euro purchases up to 18 months ahead. The decline in Sterling in 2016 meant that some purchases in H1 FY19 were at lower rates which adversely impacted gross margin and EBITDA by 40 basis points. This adverse impact will reduce in H2.

Finance income and expense
Finance expense of £0.2m reflects £0.1m of interest on a working capital overdraft, and £0.1m of realised interest on foreign exchange hedges.

Earnings per share
Earnings per share in the period were 9.6p, a 7% increase on H1 FY18: 9.0p.

Dividend
At the time of the IPO the Directors stated an intention to implement a progressive dividend policy to reflect the expectation of future cash flow. The Board proposes an interim dividend of 0.6p per share which will be paid on 17th April 2019 to shareholders on the register on 8th March 2019. Mindful of the potential growth opportunities in the USA and Japan, the Board will continue to review the rate of growth in any dividend relative to the potential opportunities for re-investment in service of profitability and growth.

Cash flow and closing cash position
Net cash inflow from operating activities was £29.5m (H1 FY18: £24.9m) an increase of 18 percent.

Net cash (being cash minus borrowings) at the end of the period was £21.8m (H1 FY18: £18.3m). The Group has access to an overdraft facility with Lloyds Bank plc to fund seasonal working capital requirements if required.

Major capital projects in the period included new shops, upgrades to the manufacturing facility in Huntingdon, and the development of a new visitor attraction in Saint Lucia.

OUTLOOK
Since the end of the period, trading has continued to be in line with the Board's expectations. The performance of the new stores is encouraging and there is a pipeline of similar potential locations. The Velvetiser and the VIP ME loyalty card scheme both performed well during their initial launch period and will offer significant potential for the future.

In delivering these results in a context of macro-economic uncertainty, the business has demonstrated creativity, resilience and adaptability. Continued delivery against the 4-point strategy will deliver top-line growth and improve profitability in the UK, enabling the Group to invest cautiously in tests in the USA and Japan. A strong differentiated brand which offers great products and customer service and that is priced as an affordable luxury, gives the Board confidence in the Group's continued progress.

Angus Thirlwell, Co-founder and Chief Executive Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 December 2018

	Notes	*Unaudited* 26 weeks ended 30 December 2018 £	*Unaudited* 26 weeks ended 31 December 2017 £
Revenue		80,719,280	71,708,557
Cost of sales		(27,622,221)	(22,601,129)
		53,097,059	49,107,428
Administrative expenses		(38,993,208)	(35,898,903)
	2	14,103,851	13,208,525
Finance income	3	5,332	15,919
Finance expenses	3	(178,901)	(296,028)
Share of joint venture results		(83,617)	7,332
Profit before tax		13,846,665	12,935,748
Tax expense		(3,044,820)	(2,820,791)
Profit for the period		10,801,845	10,114,957
Other comprehensive income:			
Derivative financial instruments		281,743	(121,114)
Deferred tax charge on derivative financial instruments		(26,181)	11,505
Currency translation differences arising from consolidation		383,683	(361,829)
Total comprehensive income for the period		11,441,090	9,643,519
Earnings per share – Basic	4	9.6p	9.0p
Earnings per share – Diluted	4	9.5p	8.9p

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 December 2018

	Notes	*Unaudited* As at 30 December 2018 £	*Unaudited* As at 31 December 2017 £	*Audited* As at 1 July 2018 £
ASSETS				
Non-current assets				
Intangible assets		2,729,264	2,547,958	2,788,152
Property, plant and equipment	5	39,081,643	34,677,619	36,408,775
Investment in joint ventures		31,975	7,332	35,501
Loan to joint venture		705,909	-	-
Derivative financial assets		108,875	8,564	68,721
Other receivables and prepayments		9,371	17,851	1,643
Deferred tax asset		318,895	381,825	623,961
		42,985,932	37,641,149	39,926,753
Current assets				
Derivative financial assets		206,447	73,724	14,925
Inventories		9,435,849	9,034,330	12,555,517
Trade and other receivables		9,548,902	6,494,705	7,486,894
Cash and cash equivalents		21,879,026	24,994,989	235,936
		41,070,224	40,597,748	20,293,272
Total assets		**84,056,156**	**78,238,897**	**60,220,025**
LIABILITIES				
Current liabilities				
Trade and other payables	6	27,145,789	25,808,949	15,545,845
Corporation tax payable		3,016,364	2,818,241	1,328,673
Derivative financial liabilities		-	52,491	54,691
Borrowings		117,677	3,482,482	201,732
		30,279,830	32,162,163	17,130,941
Non-current liabilities				
Other payables and accruals	6	2,861,683	2,546,523	2,581,044
Borrowings		-	3,191,677	16,811
Provisions		935,975	825,852	879,808
		3,797,658	6,564,052	3,477,663
Total liabilities		**34,077,488**	**38,726,215**	**20,608,604**
NET ASSETS		**49,978,668**	**39,512,682**	**39,611,421**
EQUITY				
Share capital		112,838	112,838	112,838
Share premium		11,750,056	11,749,487	11,749,487
Retained earnings		33,909,034	25,160,751	24,348,409
Translation reserve		1,264,243	687,392	880,560
Merger reserve		223,251	223,251	223,251
Capital redemption reserve		6,301	6,301	6,301
Other reserves		2,712,945	1,572,662	2,290,575
Total equity attributable to shareholders		**49,978,668**	**39,512,682**	**39,611,421**

CONSOLIDATED STATEMENT OF CASH FLOW
For the period ended 30 December 2018

	Notes	*Unaudited* 26 weeks ended 30 December 2018 £	*Unaudited* 26 weeks ended 31 December 2017 £
Profit before tax for the period		13,846,665	12,935,748
Adjusted by:			
Depreciation of property, plant and equipment	5	2,482,075	1,952,705
Amortisation of intangible assets		311,363	253,983
Loss of joint ventures		83,617	
Net interest expense		173,569	280,109
Share-based payments		408,194	366,538
Loss on disposal of property, plant and equipment and intangible assets		24,253	9,417
Operating cash flows before movements in working capital		**17,329,736**	**15,798,500**
Decrease/(increase) in inventories		3,119,669	755,985
Decrease/(Increase) in trade and other receivables		(2,071,379)	(484,352)
Increase in trade and other payables and provisions		12,645,018	10,064,095
Cash inflow generated from operations		**31,023,044**	**26,134,228**
Interest received		708	84
Income tax paid		(1,319,577)	(1,116,051)
Interest paid on:			
- finance leases and hire purchase loans		-	(1,192)
- derivative financial instruments		(99,828)	(82,542)
- bank loans and overdraft		(61,272)	(777)
Cash flows from operating activities		**29,543,075**	**24,933,750**
Purchase of property, plant and equipment		(5,632,011)	(6,136,967)
Proceeds from disposal of property, plant and equipment		9,500	-
Investment in joint venture		(7,200)	-
Loan to joint venture		(778,800)	-
Purchase of intangible assets		(241,427)	(257,524)
Cash flows used in investing activities		**(6,649,938)**	**(6,394,491)**
Proceeds on issue of shares		569	-
Buy back of Chocolate bonds		-	(110,500)
Capital element of hire purchase and finance leases repaid		(100,866)	(136,328)
Dividends paid		(1,241,220)	(1,805,405)
Cash flows used in financing activities		**(1,341,517)**	**(2,052,233)**
Net change in cash and cash equivalents		21,551,620	16,487,026
Cash and cash equivalents at beginning of period		235,936	8,470,178
Foreign currency movements		91,470	37,785
Cash and cash equivalents at end of period		**21,879,026**	**24,994,989**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 30 December 2018

	Share capital £	Share Premium £	Retained earnings £	Translation reserve £	Merger reserve £	Capital redemption reserve £	Other reserves £	**Total £**
As at 2 July 2017	112,838	11,749,487	16,851,199	1,049,221	223,251	6,301	1,170,588	31,162,885
Share-based payments	-	-	-	-	-	-	366,538	366,538
Deferred tax charge on share-based payments	-	-	-	-	-	-	145,145	145,145
Profit for the period	-	-	10,114,957	-	-	-	-	10,114,957
Dividends paid	-	-	(1,805,405)	-	-	-	-	(1,805,405)
Other comprehensive income:								
Derivative financial instruments	-	-	-	-	-	-	(121,114)	(121,114)
Deferred tax charge on derivative financial instruments	-	-	-	-	-	-	11,505	11,505
Currency translation differences arising from consolidation	-	-	-	(361,829)	-	-	-	(361,829)
Equity as at 31 December 2017	**112,838**	**11,749,487**	**25,160,751**	**687,392**	**223,251**	**6,301**	**1,572,662**	**39,512,682**
Share-based payments	-	-	-	-	-	-	360,047	360,047
Deferred tax charge on share-based payments	-	-	-	-	-	-	333,697	333,697
Loss for the period	-	-	(812,342)	-	-	-	-	(812,342)
Other comprehensive income:								
Derivative financial instruments	-	-	-	-	-	-	15,113	15,113
Deferred tax credit on derivative financial instruments	-	-	-	-	-	-	9,056	9,056
Currency translation differences arising from consolidation	-	-	-	193,168	-	-	-	193,168
Equity as at 1 July 2018	**112,838**	**11,749,487**	**24,348,409**	**880,560**	**223,251**	**6,301**	**2,290,575**	**39,611,421**

Equity as at 1 July 2018	**112,838**	**11,749,487**	**24,348,409**	**880,560**	**223,251**	**6,301**	**2,290,575**	**39,611,421**
Issue of share capital	-	569	-	-	-	-	-	569
Share-based payments	-	-	-	-	-	-	408,194	408,194
Deferred tax charge on share-based payments	-	-	-	-	-	-	(241,386)	(241,386)
Profit for the period	-	-	10,801,845	-	-	-	-	10,801,845
Dividends paid			(1,241,220)					(1,241,220)
Other comprehensive income:								
Derivative financial instruments	-	-	-	-	-	-	281,743	281,743
Deferred tax charge on derivative financial instruments	-	-	-	-	-	-	(26,181)	(26,181)
Currency translation differences arising from consolidation	-	-	-	383,683	-	-	-	383,683
Equity as at 30 December 2018	**112,838**	**11,750,056**	**33,909,034**	**1,264,243**	**223,251**	**6,301**	**2,712,945**	**49,978,668**

NOTES TO THE INTERIM FINANCIAL INFORMATION

1. Basis of preparation

The consolidated interim financial information has been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs), as adopted by the European Union.

The accounts have been prepared in accordance with accounting policies that are consistent with the Group's Annual Report and Accounts for the period ended 1 July 2018 and that are expected to be applied in the Group's Annual Report and Accounts for the period ended 30 June 2019. There are new or revised standards that apply to the period beginning 2 July 2018 but they do not have a material effect on the financial information for the period ended 30 December 2018.

The comparative financial information for the period ended 1 July 2018 in this interim report does not constitute statutory accounts for that period under 435 of the Companies Act 2006.

Statutory accounts for the period ended 1 July 2018 have been delivered to the Registrar of Companies.

The auditors' report on the accounts for 1 July 2018 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

2. Profit from operations

Profit from operations is arrived at after charging:

	Unaudited **26 weeks ended 30 December 2018 £**	***Unaudited*** **26 weeks ended 31 December 2017 £**
Staff cost	17,629,785	15,957,108
Depreciation of property, plant and equipment	2,482,075	1,952,705
Amortisation of intangible assets	311,363	253,983
Loss on disposal of property, plant and equipment and intangible assets	24,253	9,417
Operating leases:		
- Property	5,831,625	5,435,700
- Plant and equipment	129,264	94,391
Exchange differences	34,702	85,702
Bad debt expense	20,035	20,037

3. Finance income and expenses

	Unaudited 26 weeks ended 30 December 2018 £	*Unaudited* 26 weeks ended 31 December 2017 £
Interest on bank deposits	708	84
Unrealised interest on derivative financial instruments	4,624	15,835
Finance income	**5,332**	**15,919**
Interest on bank borrowings	78,134	57,410
Realised interest on derivative financial liabilities	99,828	82,542
Finance leases and hire purchase contracts	939	1,192
Finance charges on Chocolate bonds	-	154,884
Finance expenses	**178,901**	**296,028**

4. Earnings per share

Profit for the period used in the calculation of the basic and diluted earnings per share:

	Unaudited 26 weeks ended 30 December 2018 £	*Unaudited* 26 weeks ended 31 December 2017 £
Profit after tax for the period	10,801,845	10,114,957

The weighted average number of shares for the purposes of diluted earnings per share reconciles to the weighted average number of shares used in the calculation of basic earnings per share as follows:

	Unaudited 26 weeks ended 30 December 2018	*Unaudited* 26 weeks ended 31 December 2017
Weighted average number of shares in issue used in the calculation of earnings per share (number) - Basic	112,838,213	112,837,828
Share-based payments – Hotel Chocolat Group plc Save As You Earn Plan	340,202	214,728
Weighted average number of shares in issue used in the calculation of earnings per share (number) - Diluted	**113,178,415**	**113,052,556**
Earnings per share (pence) – Basic	9.6	9.0
Earnings per share (pence) – Diluted	9.5	8.9

As at 30 December 2018, the total number of potentially dilutive shares issued under the Hotel Chocolat Group plc Long-Term Incentive Plan was 3,657,000 (31 December 2017: 3,667,000). Due to the nature of the options granted under this scheme, they are considered contingently issuable shares and therefore have no dilutive effect.

5. Property, plant and equipment

	Freehold property £	Leasehold property £	Furniture & fittings, Equipment, Computer software & hardware £	Plant & machinery £	Total £
26 weeks ended 31 December 2017					
Cost:					
As at 2 July 2017	**12,588,855**	**734,999**	**28,418,804**	**16,319,351**	**58,062,009**
Additions	321,661	-	3,999,331	1,271,020	5,592,012
Disposals	-	-	(9,417)	-	(9,417)
Translation differences	(345,612)	-	(6,002)	-	(351,614)
As at 31 December 2017	**12,564,904**	**734,999**	**32,402,716**	**17,590,371**	**63,292,990**
Accumulated depreciation:					
As at 2 July 2017	**567,231**	**733,256**	**15,796,562**	**9,567,378**	**26,664,427**
Depreciation charge	79,898	475	1,312,304	560,028	1,952,705
Disposal	-	-	-	-	-
Translation differences	(6,710)	-	4,949	-	(1,761)
As at 31 December 2017	**640,419**	**733,731**	**17,113,815**	**10,127,406**	**28,615,371**
Net book value					
As at 31 December 2017	**11,924,485**	**1,268**	**15,288,901**	**7,462,965**	**34,677,619**
26 weeks ended 30 December 2018					
Cost:					
As at 1 July 2018	**12,837,367**	**734,999**	**34,890,442**	**18,895,928**	**67,358,736**
Additions	388,316	-	3,761,655	607,334	4,757,305
Disposals	-	-	(2,701,232)	(15,000)	(2,716,232)
Translation differences	410,550	-	42,132	-	452,682
As at 30 December 2018	**13,636,233**	**734,999**	**35,992,997**	**19,488,262**	**69,852,491**
Accumulated depreciation:					
As at 1 July 2018	**724,685**	**734,206**	**18,752,462**	**10,738,608**	**30,949,961**
Depreciation charge	97,867	475	1,714,166	669,567	2,482,075
Disposal	-	-	(2,682,480)	(1,625)	(2,684,105)
Translation differences	9,304	-	13,613	-	22,917
As at 30 December 2018	**831,856**	**734,681**	**17,797,761**	**11,406,550**	**30,770,848**
Net book value					
As at 30 December 2018	**12,804,377**	**318**	**18,195,236**	**8,081,712**	**39,081,643**

As at 30 December 2018, the net book value of freehold property includes land of £2,941,238 (31 December 2017: £2,767,923), which is not depreciated.

Included above are assets held under finance leases and hire purchase agreements. As at 30 December 2018, the net book value of such assets within plant & machinery is £ nil (31 December 2017: £269,690) and within computer software & hardware is £335,067 (31 December 2017: £456,106).

6. Trade and other payables

	Unaudited 26 weeks ended 30 December 2018 £	*Unaudited* 26 weeks ended 31 December 2017 £
Current		
Trade payables	4,091,494	4,554,352
Other payables	3,933,504	2,855,517
Other taxes payable	8,317,253	7,625,446
Accruals	10,803,538	10,773,634
	27,145,789	**25,808,949**
Non-current		
Other payables	2,861,683	2,546,523
	2,861,683	**2,546,523**