Company Registration No. 02794321 (England and Wales)

OLTAN GROUT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

OLTAN GROUT LIMITED

COMPANY INFORMATION

Directors	Mr P W Grout Mr G Cogno Mr S Gagliasso
Secretary	Mr P W Grout
Company number	02794321
Registered office	1st Floor 51 Bell Street Sawbridgeworth Hertfordshire CM21 9AR
Auditor	Alwyns LLP Crown House 151 High Road Loughton Essex IG10 4LG

OLTAN GROUT LIMITED

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OLTAN GROUT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The directors present the Annual Report for the year ended 31 August 2017.

Fair review of the business
The company continued its principal activity of the supply of raw and processed hazelnuts. The sales volume was up by circa 3% on the previous year. Whilst the average price was in line with the previous year the movement in exchange rates has meant a circa 13% increase in sterling revenue. This exchange rate effect has had similar impact on costs with those increasing in line with revenue. The directors are confident in the continued profitability of the company.

Key performance indicators
The primary key performance indicators the company uses on a day to day basis are sales price and sales tonnage which enable the trading position to be monitored.

Significant risks and uncertainties facing the business
The directors feel the major risk to the business is the supply of raw material caused by crop failure.

On behalf of the board

Mr P W Grout
Director
20 February 2018

OLTAN GROUT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

Principal activities
The principal activity of the company continued to be that of the supply of raw and processed hazelnuts.

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

Mr P W Grout
Mr G Cogno
Mr S Gagliasso

Results and dividends
The results for the year are set out on page 6.

The directors recommended the payment of a final dividend of £nil (2016 - £nil) making the total dividends for the year £nil (2016- £nil).

Financial instruments
The company's principal financial instrument is an invoice factoring facility, the main purpose of which is to finance the company's operations. In addition, the company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from operations.

Interest rate risk
The company is exposed to cash flow interest rate risk on trade creditors. The company closely monitors movements in interest rates and reviews its facilities in order to reduce its exposure.

Foreign currency risk
The company's principal foreign currency exposure arises from trading in foreign currencies. Due to the nature of the company's operations, there is an element of intrinsic hedging in place, alongside this, the company closely monitors movements in exchange rates to reduce their exposure to foreign currency risk.

Credit risk
Investments of cash surpluses and borrowings are made through banks which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and a provision is made for doubtful debts where necessary.

Auditor
The auditor, Alwyns LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

OLTAN GROUT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Statement of directors' responsibilities

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

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

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

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

Statement of disclosure to auditor

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

On behalf of the board

Mr P W Grout
Director
20 February 2018

OLTAN GROUT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF OLTAN GROUT LIMITED

Opinion

We have audited the financial statements of Oltan Grout Limited (the 'company') for the year ended 31 August 2017 which comprise the Income Statement, the Statement Of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

OLTAN GROUT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF OLTAN GROUT LIMITED

Matters on which we are required to report by exception
In the 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 Strategic Report and the Directors' Report.

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

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

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

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

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

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

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.

Alwyns LLP

David Stanley (Senior Statutory Auditor)
for and on behalf of Alwyns LLP

22 February 2018

Chartered Accountants
Statutory Auditor

Crown House
151 High Road
Loughton
Essex
IG10 4LG

OLTAN GROUT LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	2016 £
Revenue	**3**	71,888,572	63,478,481
Cost of sales		(70,762,753)	(62,473,138)
Gross profit		1,125,819	1,005,343
Administrative expenses		(251,804)	(187,213)
Operating profit	**4**	874,015	818,130
Finance costs	**7**	(164,365)	(144,001)
Profit before taxation		709,650	674,129
Taxation	**8**	(135,377)	(135,848)
Profit for the financial year and total comprehensive income		574,273	538,281

The Income Statement has been prepared on the basis that all operations are continuing operations.

OLTAN GROUT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2017

		2017		2016	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Property, plant and equipment	9		19,411		2,512
Current assets					
Inventories	11	2,309,530		470,466	
Trade and other receivables	12	5,741,143		3,331,403	
Cash and cash equivalents		285,007		96,976	
		8,335,680		3,898,845	
Current liabilities	13	(6,501,024)		(2,621,563)	
Net current assets			1,834,656		1,277,282
Total assets less current liabilities			1,854,067		1,279,794
Equity					
Called up share capital	16		25,000		25,000
Retained earnings			1,829,067		1,254,794
Total equity			1,854,067		1,279,794

The financial statements were approved by the board of directors and authorised for issue on 20 February 2018 and are signed on its behalf by:

Mr P W Grout
Director

Company Registration No. 02794321

OLTAN GROUT LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2017

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 September 2015	25,000	716,513	741,513
Year ended 31 August 2016:			
Profit and total comprehensive income for the year	-	538,281	538,281
Balance at 31 August 2016	25,000	1,254,794	1,279,794
Year ended 31 August 2017:			
Profit and total comprehensive income for the year	-	574,273	574,273
Balance at 31 August 2017	25,000	1,829,067	1,854,067

OLTAN GROUT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

		2017		2016	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		496,717		(149,343)
Interest paid			(164,365)		(144,001)
Income taxes paid			(143,848)		(253,267)
Net cash inflow/(outflow) from operating activities			188,504		(546,611)
Investing activities					
Purchase of property, plant and equipment		(23,074)		(1,850)	
Net cash used in investing activities			(23,074)		(1,850)
Net cash used in *financing activities*			-		-
Net increase/(decrease) in cash and cash equivalents			165,430		(548,461)
Cash and cash equivalents at beginning of year			96,976		645,437
Cash and cash equivalents at end of year			262,406		96,976
Relating to:					
Cash at bank and in hand			285,007		96,976
Bank overdrafts included in creditors payable within one year			(22,601)		-

1 Accounting policies

Company information

Oltan Grout Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1st Floor, 51 Bell Street, Sawbridgeworth, Hertfordshire, CM21 9AR.

1.1 Accounting convention

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 the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Revenue

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

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

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

1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% straight line

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

1 Accounting policies **(Continued)**

1.5 Impairment of non-current assets

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

If the recoverable amount of an asset is estimated to be less than it carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.6 Inventories

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

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

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Other financial assets

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

1 Accounting policies **(Continued)**

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

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

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

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

Basic financial liabilities
Basic financial liabilities, including trade payables and bank financing are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

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

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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

1 Accounting policies **(Continued)**

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

Current tax

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

Deferred tax

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

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.15 Foreign exchange

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

2 Judgements and key sources of estimation uncertainty

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

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

3 Revenue

The total revenue of the company for the year has been derived from its principal activity. The directors do not consider there to be significant differences between the geographical markets in which the company operates.

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2017 £	2016 £
Exchange gains	(28,938)	(76,380)
Fees payable to the company's auditor for the audit of the company's financial statements	5,000	5,000
Fees payable to the company's auditor for other assurance services	5,068	1,000
Depreciation of owned property, plant and equipment	6,175	8,375
Cost of inventories recognised as an expense	70,215,066	61,956,448
Operating lease charges	10,024	9,412

5 Employees

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

	2017 Number	2016 Number
Employees including directors	6	6

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	133,272	122,338
Social security costs	13,178	10,665
Pension costs	35,011	33,049
	181,461	166,052

6 Directors' remuneration

	2017	2016
	£	£
Remuneration for qualifying services	78,830	68,560
Company pension contributions to defined contribution schemes	29,880	29,880
	108,710	98,440

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2016 - 1).

7 Finance costs

	2017	2016
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank financing	161,746	144,001
Other finance costs:		
Other interest	2,619	-
	164,365	144,001

8 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	135,377	135,848

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

	2017	2016
	£	£
Profit before taxation	709,650	674,129
Expected tax charge based on the standard rate of corporation tax in the UK of 19.58% (2016: 20.00%)	138,949	134,826
Tax effect of expenses that are not deductible in determining taxable profit	131	170
Capital allowances	(4,912)	(823)
Depreciation	1,209	1,675
Taxation for the year	135,377	135,848

9 Property, plant and equipment

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 September 2016	8,227	30,359	38,586
Additions	23,074	-	23,074
At 31 August 2017	31,301	30,359	61,660
Depreciation and impairment			
At 1 September 2016	5,873	30,201	36,074
Depreciation charged in the year	6,017	158	6,175
At 31 August 2017	11,890	30,359	42,249
Carrying amount			
At 31 August 2017	19,411	-	19,411
At 31 August 2016	2,354	158	2,512

10 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	5,733,445	3,325,265
Carrying amount of financial liabilities		
Measured at amortised cost	6,423,414	2,287,983

11 Inventories

	2017	2016
	£	£
Raw materials and consumables	2,309,530	470,466
	2,309,530	470,466

12 Trade and other receivables

	2017	2016
Amounts falling due within one year:	**£**	**£**
Trade receivables	5,732,765	3,323,527
Other receivables	680	1,738
Prepayments and accrued income	7,698	6,138
	5,741,143	3,331,403

13 Current liabilities

		2017	2016
	Notes	**£**	**£**
Bank loans and overdrafts	14	22,601	-
Trade payables		6,079,010	2,101,680
Corporation tax		67,377	75,848
Other taxation and social security		10,233	257,732
Accruals and deferred income		321,803	186,303
		6,501,024	2,621,563

14 Borrowings

	2017	2016
	£	**£**
Bank overdrafts	22,601	-
Payable within one year	22,601	-

The bank overdraft is unsecured and repayable on demand.

15 Retirement benefit schemes

	2017	2016
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	35,011	33,049

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The company also contributes to personal pension schemes for some employees.

16 Share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
5,250 Ordinary shares of £1 each	5,250	5,250
7,875 'A' Ordinary shares of £1 each	7,875	7,875
3,000 'B' Ordinary shares of £1 each	3,000	3,000
4,125 'C' Ordinary shares of £1 each	4,125	4,125
1,000 'D' Ordinary shares of £1 each	1,000	1,000
2,750 'E' Ordinary shares of £1 each	2,750	2,750
1,000 'F' Ordinary shares of £1 each	1,000	1,000
	25,000	25,000

The shares rank pari passu apart from classes A, B and C which carry no voting rights. There are no restrictions on the distribution of dividends and the repayment of capital on any of the shares.

17 Operating lease commitments

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

	2017	2016
	£	£
Within one year	9,000	9,000
Between two and five years	250	9,250
	9,250	18,250

18 Related party transactions

The company has taken advantage of the exemptions in not disclosing transactions with fellow, fully owned, group companies.

19 Controlling party

Throughout the two years ended 31 August 2017, Ferrero Trading Lux S.A. was the immediate parent undertaking and controlling party, Ferrero International S.A. (a company incorporated in Luxembourg) was the ultimate parent undertaking and Mr G Ferrero was the ultimate controlling party.

Ferrero International S.A. prepares consolidated financial statements however these are not publicly available. No other parent undertaking of the company prepares consolidated financial statements.

20 Cash generated from operations

	2017	2016
	£	£
Profit for the year after tax	574,273	538,281
Adjustments for:		
Taxation charged	135,377	135,848
Finance costs	164,365	144,001
Depreciation and impairment of property, plant and equipment	6,175	8,375
Movements in working capital:		
(Increase)/decrease in inventories	(1,839,064)	2,582,263
(Increase)/decrease in trade and other receivables	(2,409,740)	1,882,690
Increase/(decrease) in trade and other payables	3,865,331	(5,440,801)
Cash generated from/(absorbed by) operations	496,717	(149,343)