

REGISTERED NUMBER: 03777322 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018
FOR
BRANDMILE LIMITED**



BRANDMILE LIMITED (REGISTERED NUMBER: 03777322)

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FOR THE YEAR ENDED 31 OCTOBER 2018**

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BRANDMILE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2018**

DIRECTORS: Mr. G. Herbert
Mr. J. G. Monkhouse

SECRETARY: Mr. J. G. Monkhouse

REGISTERED OFFICE: 3 Armstrong Road
North East Industrial Estate
Peterlee
Co. Durham
SR8 5AE

REGISTERED NUMBER: 03777322 (England and Wales)

SENIOR STATUTORY AUDITOR: Donald Adams FCA

AUDITORS: Baines Jewitt Limited
Statutory Auditors
Barrington House
41-45 Yarm Lane
Stockton-on-Tees
TS18 3EA

BANKERS: Barclays PLC
Barclays House
Teesdale Business Park
Stockton on Tees
TS17 6YJ

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2018**

The directors present their strategic report of the company and the group for the year ended 31 October 2018.

REVIEW OF BUSINESS

The results for the year and financial position of the group and company are shown in the annexed financial statements.

The group consists of Brandmile Limited and its 100% trading subsidiary Kookaburra Limited.

Brandmile Limited reported a loss before taxation of £1,285.

Kookaburra Limited is the trading company and it has had another good year, although not as good as the previous two years. Turnover was £22,702,226 compared with £23,346,821 last year and the gross profit has decreased to £4,884,686 compared with £5,554,740. The company paid no dividends this year (2017: £3,000,000), and reported a net profit for the year before taxation of £830,506 (2017: £1,640,205).

The consolidated figures for the group as a whole are shown below.

KEY PERFORMANCE INDICATORS (KPIs)

The directors make use of many performance indicators, both financial and non-financial, to monitor the group's performance. The two principal KPIs are turnover and profit before tax, which are fundamental to the future sustainable growth of the group:

	2018	2017
	£	£
Turnover	22,702,226	23,346,821
Profit before tax	654,901	1,465,122

PRINCIPAL RISKS AND UNCERTAINTIES

The directors are of the opinion that a thorough risk management process is adopted and they have set out below what they consider to be the principal risks facing the business:

Economic climate

During times of economic instability there can often be more pronounced peaks and troughs in the market, which can result in difficulties in forecasting stock levels to cope with demand levels and maximise opportunities. To mitigate this risk the company works closely with its customers and suppliers to ensure demand is met and that the company is well positioned to respond to changes as and when they arise.

Competition

The market in which we operate continues to be increasingly competitive and, as a result, there is constant downward pressure on prices and margins. We are subject to competition nationally but this has been so for many years and more and will continue to be the case. However, we work closely with our customers to make their lives easy, taking time to understand their requirements and deliver bespoke solutions that seamlessly fit into their manufacturing processes. We are certified to The British Retail Consortium (BRC) Standards and 'Assured' under the Red Tractor Assurance Scheme. The directors are always striving to maintain and promote customer service as well as monitoring the markets and the company's pricing to mitigate such risks.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2018**

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Interest rate risk

Interest rate risk is the exposure to interest rate fluctuations on bank loans and overdrafts etc. The group does not have any such borrowings as it has been the directors' policy to retain and re-invest as much of the post-tax profits as possible so as not to need external finance.

Credit risk

The group trades with only recognised businesses in the industry, both local and further afield. All customers are initially subject to credit vetting procedures and receivable balances are monitored on an ongoing basis.

Liquidity and cash flow

Liquidity and cash flow risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The directors' aim is to retain sufficient levels of post-tax profits to maintain/increase its reserves to enable the group to continue to grow.

Skills availability (people)

Our people are central to our success, with many being in the business since its inception. They're passionate about what they do and have a huge amount of industry knowledge at their fingertips, from production to customer service. Many of our management team have been promoted from within and we encourage our staff to make the most of our personal development policy, which encompasses everything from literacy and numeracy, NVQ 1 and 2 through to business degrees.

ON BEHALF OF THE BOARD:



Mr. J. G. Monkhouse - Secretary

Date: 18.07.19

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2018**

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2018.

DIVIDENDS

Interim dividends were paid in the year on the Ordinary X £1 shares totalling £3million and on the Ordinary Y £1 shares totalling £115,101. The directors recommend that no final dividends be paid.

DIRECTORS

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

Mr. G. Herbert
Mr. J. G. Monkhouse

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

ON BEHALF OF THE BOARD:



Mr. J. G. Monkhouse - Secretary

Date: 18-07-19

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRANDMILE LIMITED

Opinion

We have audited the financial statements of Brandmile Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 October 2018 which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 October 2018 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BRANDMILE LIMITED**

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

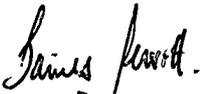
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Donald Adams FCA (Senior Statutory Auditor)
for and on behalf of Baines Jewitt Limited
Statutory Auditors
Barrington House
41-45 Yarm Lane
Stockton-on-Tees
TS18 3EA

Date: 18 July 2019

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 OCTOBER 2018

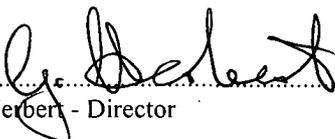
	Notes	2018		2017	
		£	£	£	£
TURNOVER			22,702,226		23,346,821
Cost of sales			17,817,540		17,792,081
GROSS PROFIT			4,884,686		5,554,740
Distribution costs		623,410		613,655	
Administrative expenses		3,595,349		3,472,499	
			4,218,759		4,086,154
			665,927		1,468,586
Other operating income			15,812		21,360
OPERATING PROFIT	4		681,739		1,489,946
Interest receivable and similar income			9,411		11,426
			691,150		1,501,372
Interest payable and similar expenses	5		36,249		36,250
PROFIT BEFORE TAXATION			654,901		1,465,122
Tax on profit	6		86,280		226,809
PROFIT FOR THE FINANCIAL YEAR			568,621		1,238,313
Retained earnings at beginning of year			6,148,408		5,120,658
Dividends	8		(3,115,101)		(210,563)
RETAINED EARNINGS FOR THE GROUP AT END OF YEAR			3,601,928		6,148,408
Profit attributable to: Owners of the parent			568,621		1,238,313

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 OCTOBER 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Intangible assets	9		174,315		348,635
Tangible assets	10		1,824,443		1,565,601
Investments	11		-		-
			<u>1,998,758</u>		<u>1,914,236</u>
CURRENT ASSETS					
Stocks	12	1,910,687		2,183,908	
Debtors	13	2,637,781		3,061,023	
Cash at bank and in hand		2,241,662		4,134,800	
		<u>6,790,130</u>		<u>9,379,731</u>	
CREDITORS					
Amounts falling due within one year	14	2,623,146		2,568,837	
NET CURRENT ASSETS					
			<u>4,166,984</u>		<u>6,810,894</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			6,165,742		8,725,130
CREDITORS					
Amounts falling due after more than one year	15		(205,000)		(205,000)
PROVISIONS FOR LIABILITIES	18		(142,287)		(149,195)
ACCRUALS AND DEFERRED INCOME	19		(6,000)		(12,000)
NET ASSETS					
			<u>5,812,455</u>		<u>8,358,935</u>
CAPITAL AND RESERVES					
Called up share capital	20		75,000		75,000
Share premium	21		2,135,527		2,135,527
Retained earnings	21		3,601,928		6,148,408
SHAREHOLDERS' FUNDS					
			<u>5,812,455</u>		<u>8,358,935</u>

The financial statements were approved by the Board of Directors on 18.07.19 and were signed on its behalf by:


.....
Mr. G. Herbert - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
31 OCTOBER 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		-		-
Investments	11		5,135,000		5,135,000
			<u>5,135,000</u>		<u>5,135,000</u>
CURRENT ASSETS					
Debtors	13	1,000		2,977,439	
CREDITORS					
Amounts falling due within one year	14	140,697		750	
NET CURRENT (LIABILITIES)/ASSETS			<u>(139,697)</u>		<u>2,976,689</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,995,303</u>		<u>8,111,689</u>
CAPITAL AND RESERVES					
Called up share capital	20		75,000		75,000
Share premium			2,135,527		2,135,527
Retained earnings			2,784,776		5,901,162
SHAREHOLDERS' FUNDS			<u>4,995,303</u>		<u>8,111,689</u>
Company's (loss)/profit for the financial year			<u>(1,285)</u>		<u>2,999,237</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 18.07.19 and were signed on its behalf by:


.....
Mr. G. Herbert - Director

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	1,980,197	1,496,576
Interest paid		(36,249)	(36,250)
Tax paid		(156,805)	(309,924)
Net cash from operating activities		<u>1,787,143</u>	<u>1,150,402</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(591,492)	(465,933)
Sale of tangible fixed assets		17,901	19,550
Interest received		9,411	11,426
Net cash from investing activities		<u>(564,180)</u>	<u>(434,957)</u>
Cash flows from financing activities			
Amount withdrawn by directors		(1,000)	-
Equity dividends paid		(3,115,101)	(210,563)
Net cash from financing activities		<u>(3,116,101)</u>	<u>(210,563)</u>
(Decrease)/increase in cash and cash equivalents		<u>(1,893,138)</u>	<u>504,882</u>
Cash and cash equivalents at beginning of year	2	4,134,800	3,629,918
Cash and cash equivalents at end of year	2	<u><u>2,241,662</u></u>	<u><u>4,134,800</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2018

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Profit before taxation	654,901	1,465,122
Depreciation charges	483,327	454,964
Loss/(profit) on disposal of fixed assets	5,741	(19,550)
Finance costs	36,249	36,250
Finance income	(9,411)	(11,426)
	<u>1,170,807</u>	<u>1,925,360</u>
Decrease/(increase) in stocks	273,221	(623,351)
Decrease in trade and other debtors	424,242	102,197
Increase in trade and other creditors	111,927	92,370
	<u>1,980,197</u>	<u>1,496,576</u>
Cash generated from operations	<u><u>1,980,197</u></u>	<u><u>1,496,576</u></u>

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 October 2018

	31.10.18	1.11.17
	£	£
Cash and cash equivalents	<u>2,241,662</u>	<u>4,134,800</u>

Year ended 31 October 2017

	31.10.17	1.11.16
	£	£
Cash and cash equivalents	<u>4,134,800</u>	<u>3,629,918</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

1. STATUTORY INFORMATION

Brandmile Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The group financial statements show the consolidated results for Brandmile Limited and its subsidiary Kookaburra Limited.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 0, is being amortised evenly over its estimated useful life of nil years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

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

Freehold property	- 4% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on cost

Government grants

Grants made as a contribution to fixed asset expenditure are treated as deferred income and credited to the profit and loss account over the expected useful economic life of the related assets on a basis consistent with the depreciation policy. Such a grant of £60,000 was received in the year to 31st October 2011.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	3,067,057	3,025,334
Social security costs	237,108	254,288
Other pension costs	27,343	152,653
	<u>3,331,508</u>	<u>3,432,275</u>

The average number of employees during the year was as follows:

	2018	2017
Directors	5	5
Office, supervisory and management	22	22
Production staff	123	127
	<u>150</u>	<u>154</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 150 (2017 - 154).

	2018 £	2017 £
Directors' remuneration	331,625	231,980
Directors' pension contributions to money purchase schemes	1,900	135,832
	<u>333,525</u>	<u>367,812</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

3. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	2018	2017
	£	£
Emoluments etc	<u>37,000</u>	<u>43,181</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Hire of plant and machinery	2,354	21,666
Depreciation - owned assets	309,008	280,644
Loss/(profit) on disposal of fixed assets	5,741	(19,550)
Goodwill amortisation	174,320	174,320
Auditors' remuneration	<u>25,436</u>	<u>22,350</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Other interest	<u>36,249</u>	<u>36,250</u>

6. TAXATION

Analysis of the tax charge

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

	2018	2017
	£	£
Current tax:		
UK corporation tax	93,188	225,385
Deferred tax	<u>(6,908)</u>	<u>1,424</u>
Tax on profit	<u>86,280</u>	<u>226,809</u>

7. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

8. DIVIDENDS

	2018 £	2017 £
Ordinary shares of £1 each Interim	-	210,563
Ordinary X shares of £1 each Interim	3,000,000	-
Ordinary Y shares of £1 each Interim	115,101	-
	<u>3,115,101</u>	<u>210,563</u>

9. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 November 2017 and 31 October 2018	<u>3,486,395</u>
AMORTISATION	
At 1 November 2017	3,137,760
Amortisation for year	174,320
At 31 October 2018	<u>3,312,080</u>
NET BOOK VALUE	
At 31 October 2018	<u>174,315</u>
At 31 October 2017	<u>348,635</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

10. TANGIBLE FIXED ASSETS

Group	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 November 2017	1,378,774	3,645,486	1,759,765	97,182	6,881,207
Additions	132,870	183,273	259,111	16,238	591,492
Disposals	-	(42,500)	-	(21,657)	(64,157)
At 31 October 2018	<u>1,511,644</u>	<u>3,786,259</u>	<u>2,018,876</u>	<u>91,763</u>	<u>7,408,542</u>
DEPRECIATION					
At 1 November 2017	1,069,264	2,874,926	1,340,102	31,314	5,315,606
Charge for year	39,777	156,748	89,541	22,942	309,008
Eliminated on disposal	-	(35,100)	-	(5,415)	(40,515)
At 31 October 2018	<u>1,109,041</u>	<u>2,996,574</u>	<u>1,429,643</u>	<u>48,841</u>	<u>5,584,099</u>
NET BOOK VALUE					
At 31 October 2018	<u>402,603</u>	<u>789,685</u>	<u>589,233</u>	<u>42,922</u>	<u>1,824,443</u>
At 31 October 2017	<u>309,510</u>	<u>770,560</u>	<u>419,663</u>	<u>65,868</u>	<u>1,565,601</u>

Included in cost of land and buildings is freehold property at original cost of £122,624 which is not depreciated. No depreciation has been taken on the basis that the estimated residual value of these assets would not be materially different to their original cost and an annual impairment review is undertaken to ensure no provision is required.

11. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST	
At 1 November 2017 and 31 October 2018	<u>5,135,000</u>
NET BOOK VALUE	
At 31 October 2018	<u>5,135,000</u>
At 31 October 2017	<u>5,135,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

11. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Kookaburra Limited

Registered office: United Kingdom

Nature of business: Sale of cooked poultry and cooked meat.

Class of shares:	% holding	2018 £	2017 £
Ordinary	100.00		
Aggregate capital and reserves		5,871,025	5,033,611
Profit for the year		837,414	1,413,396

12. STOCKS

	Group	
	2018 £	2017 £
Raw materials	398,960	1,036,311
Finished goods	1,511,727	1,147,597
	<u>1,910,687</u>	<u>2,183,908</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Trade debtors	2,561,506	2,993,187	-	-
Amounts owed by group undertakings	-	-	-	2,977,439
Other debtors	10,191	6,015	-	-
Directors' current accounts	1,000	-	1,000	-
VAT	65,084	61,821	-	-
	<u>2,637,781</u>	<u>3,061,023</u>	<u>1,000</u>	<u>2,977,439</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Other loans (see note 16)	120,000	120,000	-	-
Trade creditors	1,775,668	1,923,798	-	-
Amounts owed to group undertakings	-	-	59,885	-
Tax	8,117	71,734	-	-
Social security and other taxes	51,733	51,321	-	-
Other creditors	121,135	72,516	80,062	-
Accruals and deferred income	6,000	6,000	-	-
Accrued expenses	540,493	323,468	750	750
	<u>2,623,146</u>	<u>2,568,837</u>	<u>140,697</u>	<u>750</u>

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

	Group	
	2018	2017
	£	£
Other loans (see note 16)	<u>205,000</u>	<u>205,000</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>120,000</u>	<u>120,000</u>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<u>120,000</u>	<u>120,000</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>10,000</u>	<u>10,000</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Other loans not repayable in instalments in more than five years	<u>75,000</u>	<u>75,000</u>
	<u>75,000</u>	<u>75,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2018	2017
	£	£
Loan - A. Herbert	<u>75,000</u>	<u>-</u>

A bank cross guarantee is in force in which all loans and advances made to either Kookaburra Limited or Brandmile Limited are guaranteed by the other group company and the freehold property and other assets of both companies are secured against all bank lending to both companies.

Mrs. A. Herbert (wife of Mr. G. Herbert) has a legal charge over certain freehold properties included in fixed assets at a cost of £122,624.

18. PROVISIONS FOR LIABILITIES

	Group	
	2018	2017
	£	£
Deferred tax	<u>142,287</u>	<u>149,195</u>

Group

	Deferred tax £
Balance at 1 November 2017	149,195
Provided during year	(6,908)
Balance at 31 October 2018	<u>142,287</u>

19. ACCRUALS AND DEFERRED INCOME

	Group	
	2018	2017
	£	£
Deferred government grants	<u>6,000</u>	<u>12,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2018

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal	2018	2017
Number:	Class:	value:	£	£
75,000	Ordinary	£1	-	75,000
38,250	Ordinary X	£1	38,250	-
36,750	Ordinary Y	£1	36,750	-
			<u>75,000</u>	<u>75,000</u>

On 28 November 2017 the 75,000 Ordinary £1 shares were reclassified as 38,250 X Ordinary £1 shares and 36,750 Y Ordinary £1 shares. The company's Articles of Association effectively limit the return to the X shareholders to £4million but in all other respects they rank pari passu.

21. RESERVES

Group	Retained earnings £	Share premium £	Totals £
At 1 November 2017	6,148,408	2,135,527	8,283,935
Profit for the year	568,621		568,621
Dividends	(3,115,101)		(3,115,101)
At 31 October 2018	<u>3,601,928</u>	<u>2,135,527</u>	<u>5,737,455</u>

22. ULTIMATE PARENT COMPANY

Brandmile Limited is the ultimate parent company. Control of this company rests with Mr. G. Herbert.

23. RELATED PARTY DISCLOSURES

During the year interest was payable by the company to Mrs. A. Herbert, wife of director Mr. G. Herbert at a rate of 11.5%. The loan amount outstanding at the balance sheet date was £250,000 (2017: £250,000).

Interest was also payable to Mrs. A. Herbert on a further loan at a rate of 10%. The loan amount outstanding at the balance sheet date was £75,000 (2017: £75,000).