

Registration number: 04723144

Extens Foods Ltd

Annual Report and Financial Statements

for the Year Ended 31 May 2016

Thompson Jones Business Solutions Limited
Statutory Auditors & Chartered Accountants
2 Heap Bridge
Bury
Lancashire
BL9 7HR

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Extons Foods Ltd

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Extens Foods Ltd

Company Information

Directors	E Parkinson R Edwards
Company secretary	J N Exton
Registered office	2 Heap Bridge Bury Lancashire BL9 7HR
Bankers	National Westminster Bank PLC Manchester City Centre 11 Spring Gardens Manchester M2 1FB
Auditors	Thompson Jones Business Solutions Limited Statutory Auditors & Chartered Accountants 2 Heap Bridge Bury Lancashire BL9 7HR

Extons Foods Ltd

Strategic Report for the Year Ended 31 May 2016

The Directors present their strategic report for the year ended 31 May 2016.

Principal activity

The principal activity of the company is the slicing and grating of cheese

Fair review of the business

The main aim of the company is to supply cheese products to a diverse range of businesses in the food sector.

The key performance indicators are mainly those involved in trading income and operating profits. Intense competition can put constraints on margins as does exposure to commodity price fluctuations.

Turnover for the year has remained fairly stationary in monetary terms at £20,672,450 (2015: £20,521,389) however due to the dramatic fall in cheese prices actual volumes sold have increased significantly which is reflected in our gross profit figures - 2016 £2,846,351 (2015: £1,980,247.)

The directors are pleased with the results for this reporting period and are cautiously optimistic for the upcoming year end 31 May 2017 .

As a consequence of the foregoing remarks, the directors are pleased to report a pre-tax profit of £1,760,169 (2015: £906,544)

Principal risks and uncertainties

Intense competition constantly putting margins under pressure
Exposure to commodity price fluctuations
Business interruption and disaster planning
Introduction of new and changes to existing legislation.

The directors believe they have managed the above risks responsibly and that none of them has impacted in any material way on the resultant financial position or the company's profitability for this reporting period.

Approved by the Board on 11/11/16 and signed on its behalf by:



E Parkinson
Director

Extons Foods Ltd

Directors' Report for the Year Ended 31 May 2016

The Directors present their report and the financial statements for the year ended 31 May 2016.

Directors of the Company

The directors who held office during the year were as follows:

E Parkinson

R Edwards

Dividends

The directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 31 May 2016. This dividend has not been recognised as a liability in the financial statements.

Financial instruments

Objectives and policies

The company's principal financial statements comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the business operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at a fixed rate of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest.

Trade debtors are managed in respect of credit and also by using an invoice discounting scheme. This helps to manage the business' cash flow. The trade debtors are heavily monitored for amounts outstanding and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise loans from financial institutions. The interest rates and monthly repayments are fixed. Within the year the loan has been repaid in full and the corresponding charges in relation to this charged to the profit and loss account.

Price risk, credit risk, liquidity risk and cash flow risk

Credit risk

The company operates credit control policies to assess customer credit rating and provides for any debt that is deemed non-recoverable. Historically losses from trade debtors have been low.

Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and finance leases as appropriate.

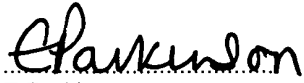
Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Extons Foods Ltd

Directors' Report for the Year Ended 31 May 2016

Approved by the Board on 1/11/16 and signed on its behalf by:



E Parkinson
Director

Extons Foods Ltd

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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Extons Foods Ltd

Independent Auditor's Report

We have audited the financial statements of Extons Foods Ltd for the year ended 31 May 2016, set out on pages 8 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

Extens Foods Ltd

Independent Auditor's Report


- 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



.....
Peter Carlin BSc FCA (Senior Statutory Auditor)

For and on behalf of Thompson Jones Business Solutions Limited, Statutory Auditor

2 Heap Bridge
Bury
Lancashire
BL9 7HR

Date: 

Extons Foods Ltd

Profit and Loss Account for the Year Ended 31 May 2016

	Note	2016 £	2015 £
Turnover	3	20,672,450	20,521,389
Cost of sales		<u>(17,826,099)</u>	<u>(18,541,142)</u>
Gross profit		2,846,351	1,980,247
Administrative expenses		<u>(1,069,748)</u>	<u>(1,034,044)</u>
Operating profit	4	<u>1,776,603</u>	<u>946,203</u>
Interest payable and similar charges	5	<u>(16,434)</u>	<u>(39,659)</u>
		<u>(16,434)</u>	<u>(39,659)</u>
Profit before tax		1,760,169	906,544
Taxation	8	<u>(356,696)</u>	<u>(191,501)</u>
Profit for the financial year		<u><u>1,403,473</u></u>	<u><u>715,043</u></u>

The above results were derived from continuing operations.

The notes on pages 13 to 24 form an integral part of these financial statements.

Extons Foods Ltd

Statement of Comprehensive Income for the Year Ended 31 May 2016

	Note	2016 £	2015 £
Profit for the year		<u>1,403,473</u>	<u>715,043</u>
Total comprehensive income for the year		<u><u>1,403,473</u></u>	<u><u>715,043</u></u>

The notes on pages 13 to 24 form an integral part of these financial statements.

Extons Foods Ltd

**(Registration number: 04723144)
Balance Sheet as at 31 May 2016**

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	1,591,992	1,397,616
Current assets			
Stocks	10	662,766	576,971
Debtors	11	3,160,457	3,076,186
Cash at bank and in hand		11,463	8,031
		<u>3,834,686</u>	<u>3,661,188</u>
Creditors: Amounts falling due within one year	13	<u>(2,264,864)</u>	<u>(2,955,375)</u>
Net current assets		<u>1,569,822</u>	<u>705,813</u>
Total assets less current liabilities		3,161,814	2,103,429
Creditors: Amounts falling due after more than one year	13	(191,581)	(291,569)
Provisions for liabilities		<u>(160,000)</u>	<u>(135,000)</u>
Net assets		<u><u>2,810,233</u></u>	<u><u>1,676,860</u></u>
Capital and reserves			
Called up share capital	14	65,000	65,000
Other reserves		15,000	15,000
Profit and loss account		<u>2,730,233</u>	<u>1,596,860</u>
Total equity		<u><u>2,810,233</u></u>	<u><u>1,676,860</u></u>

Approved and authorised by the Board on 4/11/16 and signed on its behalf by:



E Parkinson
Director

Extons Foods Ltd

Statement of Changes in Equity for the Year Ended 31 May 2016

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 June 2015	65,000	15,000	1,596,860	1,676,860
Profit for the year	-	-	1,403,473	1,403,473
Total comprehensive income	-	-	1,403,473	1,403,473
Dividends	-	-	(270,100)	(270,100)
At 31 May 2016	65,000	15,000	2,730,233	2,810,233
	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 June 2014	64,574	15,000	1,024,984	1,104,558
Profit for the year	-	-	715,043	715,043
Total comprehensive income	-	-	715,043	715,043
Dividends	-	-	(143,167)	(143,167)
New share capital subscribed	426	-	-	426
At 31 May 2015	65,000	15,000	1,596,860	1,676,860

The notes on pages 13 to 24 form an integral part of these financial statements.
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Extons Foods Ltd

Statement of Cash Flows for the Year Ended 31 May 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the year		1,403,473	715,043
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	172,602	162,707
Finance costs	5	16,434	39,659
Income tax expense	8	356,696	191,501
		<u>1,949,205</u>	<u>1,108,910</u>
Working capital adjustments			
(Increase)/decrease in stocks	10	(85,795)	124,838
Increase in trade debtors	11	(84,271)	(820,205)
(Decrease)/increase in trade creditors	13	(905,722)	421,035
Cash generated from operations		873,417	834,578
Income taxes paid	8	(156,546)	(19,656)
Net cash flow from operating activities		<u>716,871</u>	<u>814,922</u>
Cash flows from investing activities			
Acquisitions of tangible assets		(366,978)	(156,846)
Cash flows from financing activities			
Interest paid	5	-	(23,365)
Proceeds from issue of ordinary shares, net of issue costs		-	426
Repayment of other borrowing		-	(380,000)
Payments to finance lease creditors		(100,766)	(100,765)
Dividends paid	17	(270,100)	(143,167)
Hire purchase interest		(16,434)	(16,294)
Net cash flows from financing activities		<u>(387,300)</u>	<u>(663,165)</u>
Net decrease in cash and cash equivalents		(37,407)	(5,089)
Cash and cash equivalents at 1 June		<u>8,031</u>	<u>13,120</u>
Cash and cash equivalents at 31 May		<u>(29,376)</u>	<u>8,031</u>

The notes on pages 13 to 24 form an integral part of these financial statements.

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

2 Heap Bridge

Bury

Lancashire

BL9 7HR

The principal place of business is:

Units 5&6

Roundthorne Industrial Estate

Caldey Road

Manchester

M23 9GE

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the Company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Extens Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & Machinery	8.33% straight line basis
Fixtures & Fittings	15% reducing balance
Motor Vehicles	25% reducing balance
Computer Equipment	33% straight line basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Share based payments

The Company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2016 £	2015 £
Sale of goods	<u>20,672,450</u>	<u>20,521,389</u>

4 Operating profit

Arrived at after charging/(crediting)

	2016 £	2015 £
Depreciation expense	172,602	162,707
Operating lease expense - plant and machinery	<u>7,397</u>	<u>6,904</u>

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

5 Interest payable and similar charges

	2016 £	2015 £
Interest on obligations under finance leases and hire purchase contracts	16,434	16,294
Interest expense on other finance liabilities	-	23,365
	<u>16,434</u>	<u>39,659</u>

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £	2015 £
Wages and salaries	749,000	608,288
Social security costs	59,160	56,037
Other short-term employee benefits	8,628	6,635
Pension costs, defined contribution scheme	35,095	26,050
Share-based payment expenses	6,490	-
Other employee expense	43,476	45,946
	<u>901,849</u>	<u>742,956</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Production	27	25
Administration and support	6	6
Distribution	7	6
Other departments	2	3
	<u>42</u>	<u>40</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	45,328	45,074
Contributions paid to money purchase schemes	26,000	18,000
	<u>71,328</u>	<u>63,074</u>

Extens Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016 No.	2015 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

8 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
Current taxation		
UK corporation tax	332,150	157,000
UK corporation tax adjustment to prior periods	<u>(454)</u>	<u>(499)</u>
	331,696	156,501
Deferred taxation		
Arising from origination and reversal of timing differences	<u>25,000</u>	<u>35,000</u>
Tax expense in the income statement	<u>356,696</u>	<u>191,501</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20.5%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	<u>1,760,169</u>	<u>906,544</u>
Corporation tax at standard rate	352,034	185,841
Effect of expense not deductible in determining taxable profit (tax loss)	1,265	112
Deferred tax expense (credit) from unrecognised temporary difference from a prior period	25,000	35,000
Tax increase (decrease) from effect of capital allowances and depreciation	(21,153)	(30,390)
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(450)</u>	<u>938</u>
Total tax charge	<u>356,696</u>	<u>191,501</u>
Deferred tax		
Deferred tax assets and liabilities		

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

	Liability £
2016	
Capital allowances in excess of deprecitation	<u>160,000</u>
2015	
Capital allowances in excess of deprecitation	<u>135,000</u>

9 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 June 2015	67,931	65,397	1,870,108	2,003,436
Additions	<u>21,097</u>	<u>-</u>	<u>345,881</u>	<u>366,978</u>
At 31 May 2016	<u>89,028</u>	<u>65,397</u>	<u>2,215,989</u>	<u>2,370,414</u>
Depreciation				
At 1 June 2015	43,241	51,986	510,593	605,820
Charge for the year	<u>14,064</u>	<u>3,348</u>	<u>155,190</u>	<u>172,602</u>
At 31 May 2016	<u>57,305</u>	<u>55,334</u>	<u>665,783</u>	<u>778,422</u>
Carrying amount				
At 31 May 2016	<u>31,723</u>	<u>10,063</u>	<u>1,550,206</u>	<u>1,591,992</u>
At 31 May 2015	<u>24,690</u>	<u>13,411</u>	<u>1,359,515</u>	<u>1,397,616</u>

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2016 £	2015 £
Plant & Machinery	<u>444,341</u>	<u>490,463</u>

10 Stocks

	2016 £	2015 £
Other inventories	<u>662,766</u>	<u>576,971</u>

11 Debtors

	2016 £	2015 £
Trade debtors	2,836,835	2,884,127
Other debtors	247,259	150,233
Prepayments	<u>76,363</u>	<u>41,826</u>
Total current trade and other debtors	<u>3,160,457</u>	<u>3,076,186</u>

12 Cash and cash equivalents

	2016 £	2015 £
Cash on hand	501	1,112
Cash at bank	<u>10,962</u>	<u>6,919</u>
	11,463	8,031
Bank overdrafts	<u>(40,839)</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows	<u>(29,376)</u>	<u>8,031</u>

13 Creditors

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	15	138,772	105,368
Trade creditors		1,282,552	1,725,028
Social security and other taxes		18,402	17,472
Other payables		140,643	753,141
Accrued expenses		352,345	197,366
Income tax liability	8	<u>332,150</u>	<u>157,000</u>
		<u>2,264,864</u>	<u>2,955,375</u>
Due after one year			
Loans and borrowings	15	<u>191,581</u>	<u>291,569</u>

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

14 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary of £1 each	64,574	64,574	64,574	64,574
Ordinary class A shares of £1 each	242	242	242	242
Ordinary class B shares of £1 each	128	128	128	128
Ordinary class C shares of £1 each	43	43	43	43
Ordinary class D shares of £1 each	13	13	13	13
	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>

15 Loans and borrowings

	2016 £	2015 £
Non-current loans and borrowings		
Finance lease liabilities	<u>191,581</u>	<u>291,569</u>
	2016 £	2015 £
Current loans and borrowings		
Bank overdrafts	40,839	-
Finance lease liabilities	97,654	98,432
Other borrowings	<u>279</u>	<u>6,936</u>
	<u>138,772</u>	<u>105,368</u>

16 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	97,654	98,432
Later than one year and not later than five years	<u>191,581</u>	<u>291,569</u>
	<u>289,235</u>	<u>390,001</u>

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

Operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Leases ending in over five years	748,291	839,918

The amount of non-cancellable operating lease payments recognised as an expense during the year was £94,315 (2015 - £94,315).

17 Dividends

	2016 £	2015 £
Interim dividend	<u>270,100</u>	<u>143,167</u>

18 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £225,174 (2015 - £Nil).

19 Related party transactions

E Parkinson (Director) & Husband

During the year dividends of £162,066 (2015:£83,500) were paid to the Director and her husband. At the balance sheet date, the amount due to E Parkinson was £159 (2015:£53).

R Edwards (Director)

During the year dividends of £108,034 (2015:£57,667) were paid to R Edwards. At the balance sheet date the amount due to R Edwards was £122 (2015: £6.883).

J Exton (Father of the two directors & Shareholder)

Consultancy fees of £15,840 were paid to J Exton in the year (2015 : £15,840.) At the balance sheet date the amount due to J Extons was £nil (2015:£Nil.)

Extons Developments Limited (Owned by R Edwards Husband)

During the year a loan of £92,340 was made to Extons Developments Limited of which R Edwards husband is director and shareholder. The loan will be repaid by 28 February 2017.

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2016

20 Transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 May 2015 and the date of transition to FRS 102 was therefore 1 June 2014.