

Extons Foods Ltd

Annual Report and Financial Statements
for the Year Ended 31 May 2017



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

Extons Foods Ltd

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Extons Foods Ltd

Company Information

Directors E Parkinson
R Edwards

Company secretary J N Exton

Registered office 2 Heap Bridge
Bury
Lancashire
BL9 7HR

Solicitors Harrison Drury
1A Chapel Street
Winckley Square
Preston
LANCS
PR1 8BU

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 2017

The directors present their strategic report for the year ended 31 May 2017.

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 increased by 25% due to the introduction of new product lines. The fluctuations in the commodity price of cheese is reflected in our gross profit figures.

The directors are pleased with the results for this reporting period and are optimistic for the upcoming year ending 31 May 2018.

As a consequence of the foregoing remarks, the directors are pleased to report a pre-tax profit of £1,641,896 (2016: £1,760,169)

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 25 October 2017 and signed on its behalf by:



E Parkinson
Director

Extens Foods Ltd

Directors' Report for the Year Ended 31 May 2017

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

Directors of the company

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

E Parkinson

R Edwards

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.

Approved by the Board on 25 October 2017 and signed on its behalf by:



E Parkinson
Director

Extons Foods Ltd

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 have 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 to the Members of Extons Foods Ltd

We have audited the financial statements of Extons Foods Ltd for the year ended 31 May 2017, set out on pages 7 to 20. 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 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (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 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.

Extons Foods Ltd

Independent Auditor's Report to the Members of Extons Foods Ltd

Opinion on other matter prescribed by the Companies Act 2006

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

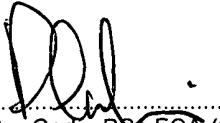
- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our 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.

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:

- 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

25 October 2017

Extons Foods Ltd

Profit and Loss Account for the Year Ended 31 May 2017

	Note	Total 31 May 2017 £	Total 31 May 2016 £
Turnover	3	25,961,861	20,672,450
Cost of sales		<u>(22,915,275)</u>	<u>(17,826,099)</u>
Gross profit		3,046,586	2,846,351
Administrative expenses		<u>(1,388,396)</u>	<u>(1,069,748)</u>
Operating profit	4	<u>1,658,190</u>	<u>1,776,603</u>
Interest payable and similar expenses	5	<u>(16,294)</u>	<u>(16,434)</u>
		<u>(16,294)</u>	<u>(16,434)</u>
Profit before tax		1,641,896	1,760,169
Taxation	8	<u>(301,600)</u>	<u>(356,696)</u>
Profit for the financial year		<u><u>1,340,296</u></u>	<u><u>1,403,473</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Extons Foods Ltd

Statement of Comprehensive Income for the Year Ended 31 May 2017

	Note	2017 £	2016 £
Profit for the year		<u>1,340,296</u>	<u>1,403,473</u>
Total comprehensive income for the year		<u>1,340,296</u>	<u>1,403,473</u>

Extons Foods Ltd

(Registration number: 04723144)

Balance Sheet as at 31 May 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	2,068,023	1,591,992
Current assets			
Stocks	10	1,072,502	662,766
Debtors	11	3,874,529	3,160,458
Cash at bank and in hand		<u>130,528</u>	<u>11,463</u>
		5,077,559	3,834,687
Creditors: Amounts falling due within one year	13	<u>(3,176,580)</u>	<u>(2,264,865)</u>
Net current assets		<u>1,900,979</u>	<u>1,569,822</u>
Total assets less current liabilities		3,969,002	3,161,814
Creditors: Amounts falling due after more than one year	13	(90,813)	(191,581)
Provisions for liabilities	14	<u>(175,000)</u>	<u>(160,000)</u>
Net assets		<u>3,703,189</u>	<u>2,810,233</u>
Capital and reserves			
Called up share capital	16	65,000	65,000
Other reserves		15,000	15,000
Profit and loss account		<u>3,623,189</u>	<u>2,730,233</u>
Total equity		<u>3,703,189</u>	<u>2,810,233</u>

Approved and authorised by the Board on 25 October 2017 and signed on its behalf by:



E Parkinson
Director

Extens Foods Ltd

Statement of Changes in Equity for the Year Ended 31 May 2017

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 June 2016	65,000	15,000	2,730,233	2,810,233
Profit for the year	-	-	1,340,296	1,340,296
Total comprehensive income	-	-	1,340,296	1,340,296
Dividends	-	-	(447,340)	(447,340)
At 31 May 2017	65,000	15,000	3,623,189	3,703,189

	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

Extons Foods Ltd

Statement of Cash Flows for the Year Ended 31 May 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit for the year after taxation		1,340,296	1,403,473
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	228,443	172,602
Finance costs	5	16,294	16,434
Corporation and deferred tax expense	8	301,600	356,696
		<u>1,886,633</u>	<u>1,949,205</u>
Working capital adjustments			
Increase in stocks	10	(409,736)	(85,795)
Increase in trade and other debtors	11	(714,071)	(84,272)
Increase/(decrease) in creditors excluding loans and tax	13	998,103	(905,720)
		<u>1,760,929</u>	<u>873,418</u>
Cash generated from operations			
Corporation taxes paid	8	(332,150)	(156,546)
Net cash flow from operating activities		<u>1,428,779</u>	<u>716,872</u>
Cash flows from investing activities			
Acquisitions of tangible assets	9	(704,474)	(366,978)
Cash flows from financing activities			
Payments to finance lease creditors		(100,767)	(100,767)
Dividends paid	19	(447,340)	(270,100)
Hire purchase interest	5	(16,294)	(16,434)
Net cash flows from financing activities		<u>(564,401)</u>	<u>(387,301)</u>
Net increase/(decrease) in cash and cash equivalents		159,904	(37,407)
Cash and cash equivalents at 1 June 2016		<u>(29,376)</u>	<u>8,031</u>
Cash and cash equivalents at 31 May 2017		<u><u>130,528</u></u>	<u><u>(29,376)</u></u>

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

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.

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.

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.

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

Tangible assets

Tangible assets are 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
Leasehold Building Improvements	Over the life of the lease

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.

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.

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

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.

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.

3 Revenue

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

	2017 £	2016 £
Sale of goods and services	<u>25,961,861</u>	<u>20,672,450</u>

4 Operating profit

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	228,443	172,602
Operating lease expense - plant and machinery	<u>9,172</u>	<u>7,397</u>

Extens Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

5 Interest payable and similar expenses

	2017 £	2016 £
Interest on obligations under finance leases and hire purchase contracts	<u>16,294</u>	<u>16,434</u>

6 Staff costs

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

	2017 £	2016 £
Wages and salaries	1,199,743	749,000
Social security costs	107,073	59,160
Other short-term employee benefits	13,465	8,628
Pension costs, defined contribution scheme	48,873	35,095
Share-based payment expenses	10,660	6,490
Other employee expense	<u>47,554</u>	<u>43,476</u>
	<u>1,427,368</u>	<u>901,849</u>

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

	2017 No.	2016 No.
Production	47	27
Administration and support	8	6
Sales	2	-
Distribution	13	7
Other departments	<u>2</u>	<u>2</u>
	<u>72</u>	<u>42</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	50,727	45,328
Contributions paid to money purchase schemes	<u>36,000</u>	<u>26,000</u>
	<u>86,727</u>	<u>71,328</u>

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

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

Extens Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

8 Taxation

Tax charged/(credited) in the income statement

	2017 £	2016 £
Current taxation		
UK corporation tax	286,600	332,150
UK corporation tax adjustment to prior periods	-	(454)
	<u>286,600</u>	<u>331,696</u>
Deferred taxation		
Arising from origination and reversal of timing differences	15,000	25,000
Tax expense in the income statement	<u>301,600</u>	<u>356,696</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2016 - the same as the standard rate of corporation tax in the UK) of 19.8% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Profit before tax	<u>1,641,896</u>	<u>1,760,169</u>
Corporation tax at standard rate	325,095	352,034
Effect of expense not deductible in determining taxable profit (tax loss)	347	1,265
Deferred tax expense from unrecognised temporary difference from a prior period	15,000	25,000
Tax decrease from effect of capital allowances and depreciation	(39,590)	(21,153)
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>748</u>	<u>(450)</u>
Total tax charge	<u>301,600</u>	<u>356,696</u>

Deferred tax

Deferred tax assets and liabilities

	Liability £
2017	
Capital allowances in excess of depreciation	<u>175,000</u>
2016	
Capital allowances in excess of depreciation	<u>160,000</u>

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

9 Tangible assets

	Leasehold Building Improvements £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 June 2016	-	89,028	65,397	2,215,989	2,370,414
Additions	165,295	3,556	-	535,623	704,474
At 31 May 2017	165,295	92,584	65,397	2,751,612	3,074,888
Depreciation					
At 1 June 2016	-	57,305	55,334	665,783	778,422
Charge for the year	-	17,824	2,520	208,099	228,443
At 31 May 2017	-	75,129	57,854	873,882	1,006,865
Carrying amount					
At 31 May 2017	165,295	17,455	7,543	1,877,730	2,068,023
At 31 May 2016	-	31,723	10,063	1,550,206	1,591,992

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:

	2017 £	2016 £
Plant & Machinery	397,084	444,341

10 Stocks

	2017 £	2016 £
Raw materials and finished goods	1,072,502	662,766

11 Debtors

	2017 £	2016 £
Trade debtors	3,650,237	2,836,835
Other debtors	149,320	247,258
Prepayments	74,972	76,365
Total current trade and other debtors	3,874,529	3,160,458

Extens Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

12 Cash and cash equivalents

	2017 £	2016 £
Cash on hand	1,151	501
Cash at bank	<u>129,377</u>	<u>10,962</u>
	130,528	11,463
Bank overdrafts	<u>-</u>	<u>(40,839)</u>
Cash and cash equivalents in statement of cash flows	<u><u>130,528</u></u>	<u><u>(29,376)</u></u>

13 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	17	97,654	138,492
Trade creditors		2,348,671	1,282,552
Amounts due to related parties	21	989	281
Social security and other taxes		28,467	18,402
Other payables		83,180	140,643
Accrued expenses		331,019	352,345
Corporation tax liability	8	<u>286,600</u>	<u>332,150</u>
		<u><u>3,176,580</u></u>	<u><u>2,264,865</u></u>
Due after one year			
Loans and borrowings	17	<u><u>90,813</u></u>	<u><u>191,581</u></u>

14 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 June 2016	160,000	160,000
Additional provisions	<u>15,000</u>	<u>15,000</u>
At 31 May 2017	<u><u>175,000</u></u>	<u><u>175,000</u></u>

15 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £48,873 (2016 - £35,095).

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

16 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	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>

17 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Finance lease liabilities	<u>90,813</u>	<u>191,581</u>

	2017 £	2016 £
Current loans and borrowings		
Bank overdrafts	-	40,839
Finance lease liabilities	<u>97,654</u>	<u>97,653</u>
	<u>97,654</u>	<u>138,492</u>

18 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	97,654	97,654
Later than one year and not later than five years	<u>90,813</u>	<u>191,581</u>
	<u>188,467</u>	<u>289,235</u>

Extons Foods Ltd

Notes to the Financial Statements for the Year Ended 31 May 2017

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Leases ending in over five years	2,763,684	748,291

The amount of non-cancellable operating lease payments recognised as an expense during the year was £114,551 (2016 - £94,315).

19 Dividends

Interim dividends totalling £88,540 (2016:£62,800) were paid in the year.

Final dividends totalling £358,800 (2016:£207,300) were paid on 6 April 2017.

20 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2016 - £225,174).

21 Related party transactions

E & S Parkinson (Director and Shareholders)

During the year dividends of £235,054 (2016:£162,066) were paid to the director and her husband. At the balance sheet date, the amount due to E Parkinson and her husband was £574 (2016:£159).

R & K Edwards (Director and Shareholders)

During the year dividends of £212,286 (2016:£108,034) were paid to the Director and her husband. At the balance sheet date the amount due to R Edwards and husband was £415 (2016: £122).

J Exton (Company Secretary and Shareholder)

Consultancy fees of £21,642 were paid to J Exton in the year (2016 : £15,840.) At the balance sheet date the amount due to J Exton was £nil (2016:£Nil.)