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Group Strategic Report, Report of the Directors and

Consolidated Financial Statements for the Year Ended 30 June 2018

for

Crediton Milling Holdings Ltd

Contents of the Consolidated Financial Statements
for the Year Ended 30 June 2018

Company Information
for the Year Ended 30 June 2018

DIRECTORS:	M J Gulley A T Power Mrs S L Power
REGISTERED OFFICE:	128 High Street Crediton Devon EX17 3LQ
REGISTERED NUMBER:	08064713 (England and Wales)
AUDITORS:	Bedford & Co Ltd Statutory Auditors 128 High Street Crediton Devon EX17 3LQ

Group Strategic Report
for the Year Ended 30 June 2018

The directors present their strategic report of the company and the group for the year ended 30 June 2018.

REVIEW OF BUSINESS
The results for the year and the financial position of the group at the year end were considered satisfactory by the directors, particularly, in view of the competitive market and the risks inherent in the current economic climate. The group recorded a turnover figure of £40,832,506 (2017 - £35,954,446) and reported a pre-tax net profit of £1,610,011 (2017 - £1,488,234).

The group's key objective is to maximise profits which is in line with the objectives of the board. The main strategies in achieving these objectives are the maximisation of sales and gross margins, supported by effective cost management.

PRINCIPAL RISKS AND UNCERTAINTIES
The group manages the liquidity risk by ensuring there are sufficient funds to meet the payments. In respect of trade debtors the group offers credit terms to its customers, subject to assessed limits. There is a general risk that customers will not pay for the products that they have purchased. This risk is managed by group policies concerning the amount of credit offered to customers and then by regular monitoring of amounts outstanding. Trade creditors liquidity risk is managed by ensuring there are sufficient funds are available to meet the amounts due.
The group is also subject to raw material price increases with the risk that profit margins could be materially affected when these increases cannot be passed on to customers. The group will periodically take advantage of buying opportunities in order manage this risk.
There is an overall risk associated with the uncertainty which exists within certain sectors of the farming industry in which the group operates.

FINANCIAL INSTRUMENTS
The group's principal financial instruments comprise of bank current and loan balances, trade debtors, trade creditors and hire purchase contracts. The main purpose of these instruments is to provide funds for the group's operations and to finance the company's trading.

FUTURE DEVELOPMENTS
The group will look to continue its policy of providing the customer with an extensive range of quality products, supported by a highly experienced workforce who are able to offer the necessary technical expertise.

ON BEHALF OF THE BOARD:

A T Power - Director

7 March 2019

Report of the Directors
for the Year Ended 30 June 2018

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2018.

PRINCIPAL ACTIVITY
The principal activity of the group in the year under review was that of the manufacture and merchandising of animal feedstuffs.

DIVIDENDS
An interim dividend of £25.00 per share was paid. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 June 2018 will be £750,000.

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

M J Gulley
A T Power
Mrs S L Power

DISCLOSURE IN THE STRATEGIC REPORT
The group has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the group's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of financial instruments and future developments.

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Report of the Directors
for the Year Ended 30 June 2018

AUDITORS
The auditors, Bedford & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A T Power - Director

7 March 2019

Report of the Independent Auditors to the Members of Crediton Milling Holdings Ltd

Opinion
We have audited the financial statements of Crediton Milling Holdings Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2018 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, 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 30 June 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.

Opinion 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 Crediton Milling Holdings Ltd

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 three, 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.

Mr Andrew Charles Allen Bedford (Senior Statutory Auditor)
for and on behalf of Bedford & Co Ltd
Statutory Auditors
128 High Street
Crediton
Devon
EX17 3LQ

7 March 2019

Crediton Milling Holdings Ltd

Consolidated Statement of Comprehensive Income for the Year Ended 30 June 2018

	Notes	30.6.18 £	£	30.6.17 £	£
TURNOVER			40,832,506		35,954,446
Cost of sales			30,607,699		26,563,148
GROSS PROFIT			10,224,807		9,391,298
Distribution costs		5,349,622		4,912,625	
Administrative expenses		3,264,066		3,023,858	
			8,613,688		7,936,483
			1,611,119		1,454,815
Other operating income			23,310		33,898
OPERATING PROFIT	4		1,634,429		1,488,713
Interest receivable and similar income			8,670		16,327
			1,643,099		1,505,040
Interest payable and similar expenses	5		33,088		16,806
PROFIT BEFORE TAXATION			1,610,011		1,488,234
Tax on profit	6		311,014		304,384
PROFIT FOR THE FINANCIAL YEAR			1,298,997		1,183,850
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			1,298,997		1,183,850
Profit attributable to:					
Owners of the parent			1,298,997		1,183,850
Total comprehensive income attributable to:					
Owners of the parent			1,298,997		1,183,850

The notes form part of these financial statements

Consolidated Balance Sheet
30 June 2018

		30.6.18		30.6.17	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	9		3,868,725		2,852,130
Investments	10		-		-
Investment property	11		317,953		317,953
			4,186,678		3,170,083
CURRENT ASSETS					
Stocks	12	708,987		641,586	
Debtors	13	4,517,161		4,049,407	
Cash at bank and in hand		2,099,364		1,695,315	
		7,325,512		6,386,308	
CREDITORS					
Amounts falling due within one year	14	4,900,152		4,281,624	
NET CURRENT ASSETS			2,425,360		2,104,684
TOTAL ASSETS LESS CURRENT LIABILITIES			6,612,038		5,274,767
CREDITORS					
Amounts falling due after more than one year	15		(841,759)		(45,369)
PROVISIONS FOR LIABILITIES	20		(130,451)		(138,567)
NET ASSETS			5,639,828		5,090,831
CAPITAL AND RESERVES					
Called up share capital	21		30,000		30,000
Capital redemption reserve	22		19,500		19,500
Other reserves	22		17,632		17,632
Retained earnings	22		5,572,696		5,023,699
SHAREHOLDERS' FUNDS			5,639,828		5,090,831

The financial statements were approved by the Board of Directors on 7 March 2019 and were signed on its behalf by:

M J Gulley - Director

A T Power - Director

The notes form part of these financial statements

Crediton Milling Holdings Ltd (Registered number: 08064713)

Company Balance Sheet
30 June 2018

	Notes	30.6.18 £	30.6.18 £	30.6.17 £	30.6.17 £
FIXED ASSETS					
Tangible assets	9		2,768,045		2,090,688
Investments	10		29,700		29,700
Investment property	11		317,953		317,953
			3,115,698		2,438,341
CURRENT ASSETS					
Debtors	13	273,102		526,039	
Cash in hand		300		300	
		273,402		526,339	
CREDITORS					
Amounts falling due within one year	14	42,662		14,316	
NET CURRENT ASSETS			230,740		512,023
TOTAL ASSETS LESS CURRENT LIABILITIES			3,346,438		2,950,364
CAPITAL AND RESERVES					
Called up share capital	21		30,000		30,000
Retained earnings	22		3,316,438		2,920,364
SHAREHOLDERS' FUNDS			3,346,438		2,950,364
Company's profit for the financial year			1,146,074		930,786

The financial statements were approved by the Board of Directors on 7 March 2019 and were signed on its behalf by:

M J Gulley - Director

A T Power - Director

The notes form part of these financial statements

Crediton Milling Holdings Ltd

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2018

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Other reserves £	Total equity £
Balance at 1 July 2016	30,000	4,474,649	19,500	17,632	4,541,781
Changes in equity					
Dividends	-	(634,800)	-	-	(634,800)
Total comprehensive income	-	1,183,850	-	-	1,183,850
Balance at 30 June 2017	30,000	5,023,699	19,500	17,632	5,090,831
Changes in equity					
Dividends	-	(750,000)	-	-	(750,000)
Total comprehensive income	-	1,298,997	-	-	1,298,997
Balance at 30 June 2018	30,000	5,572,696	19,500	17,632	5,639,828

The notes form part of these financial statements

Company Statement of Changes in Equity for the Year Ended 30 June 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2016	30,000	2,624,378	2,654,378
Changes in equity			
Dividends	-	(634,800)	(634,800)
Total comprehensive income	-	930,786	930,786
Balance at 30 June 2017	30,000	2,920,364	2,950,364
Changes in equity			
Dividends	-	(750,000)	(750,000)
Total comprehensive income	-	1,146,074	1,146,074
Balance at 30 June 2018	30,000	3,316,438	3,346,438

The notes form part of these financial statements

Crediton Milling Holdings Ltd

Consolidated Cash Flow Statement
for the Year Ended 30 June 2018

	Notes	30.6.18 £	30.6.17 £
Cash flows from operating activities			
Cash generated from operations	1	2,066,305	1,812,798
Interest paid		(20,566)	(5,335)
Interest element of hire purchase payments paid		(12,522)	(11,471)
Tax paid		(303,993)	(259,882)
Net cash from operating activities		1,729,224	1,536,110
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,589,766)	(879,303)
Sale of tangible fixed assets		43,338	35,460
Interest received		8,670	16,327
Net cash from investing activities		(1,537,758)	(827,516)
Cash flows from financing activities			
Bank loan drawn in the year		650,000	-
Bank loan repaid in the year		(20,762)	-
Amount introduced by directors		20,267	133
Hire purchase and finance lease advance		578,709	315,660
Hire purchase and finance lease repaid		(265,631)	(254,941)
Equity dividends paid		(750,000)	(634,800)
Net cash from financing activities		212,583	(573,948)
Increase in cash and cash equivalents		404,049	134,646
Cash and cash equivalents at beginning of year	2	1,695,315	1,560,669
Cash and cash equivalents at end of year	2	2,099,364	1,695,315

Notes to the Consolidated Cash Flow Statement for the Year Ended 30 June 2018

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

	30.6.18	30.6.17
	£	£
Profit before taxation	1,610,011	1,488,234
Depreciation charges	492,141	407,471
Loss/(profit) on disposal of fixed assets	37,692	(2,712)
Finance costs	33,088	16,806
Finance income	(8,670)	(16,327)
	2,164,262	1,893,472
Increase in stocks	(67,401)	(86,699)
Increase in trade and other debtors	(467,754)	(510,734)
Increase in trade and other creditors	437,198	516,759
Cash generated from operations	2,066,305	1,812,798

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 30 June 2018

	30.6.18	1.7.17
	£	£
Cash and cash equivalents	2,099,364	1,695,315

Year ended 30 June 2017

	30.6.17	1.7.16
	£	£
Cash and cash equivalents	1,695,315	1,560,669

Notes to the Consolidated Financial Statements for the Year Ended 30 June 2018

1. STATUTORY INFORMATION

Crediton Milling Holdings Ltd 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.

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.

The presentation currency is £ sterling.

Basis of consolidation
The financial statements consolidate the accounts of Crediton Milling Holdings Ltd and its subsidiary Crediton Milling Company Ltd. The financial statements have been consolidated using the merger accounting method under FRS102.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Significant judgements and estimates
No significant judgements have been made by management in preparing these financial statements.

Income recognition
Turnover is measured at the fair value of the consideration received or receivable from the sale of goods, excluding discounts, rebates, value added tax and other sales taxes.
Revenue is recognised when goods are delivered to customers such that risks and rewards of ownership have been transferred to them.

Tangible fixed assets
Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives, using both the straight line and reducing balance methods. The rates applicable are;

Land - not provided

Freehold buildings - 2% on cost

Plant and machinery - 25% reducing balance

Weighbridge - 25% reducing balance

Motor vehicles - 25% reducing balance

Computer and office equipment - 25% reducing balance

continued...

2. **ACCOUNTING POLICIES - continued**

Investment property
Investment properties are properties held to earn rentals and/or for capital appreciation, which are initially measured at cost, including transaction costs. Subsequently investment properties whose fair value can be measured reliably without undue cost or effort on an on-going basis are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.
Investment properties whose fair value cannot be measured reliably without undue cost or effort on an on-going basis are included in tangible fixed assets at cost less accumulated depreciation and accumulated impairment losses.

Stocks
Stocks have been valued at the lower of cost and estimated selling price less costs to complete and sell.
Cost is calculated on a first in first out basis.
In respect of finished goods, cost includes a relevant proportion of overheads according to the stage of manufacture/completion.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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.

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.

Pension costs and employee benefits
The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account in the period in which they are incurred.
Other short term employee benefits are also recognised as an expense in the period in which they are incurred.

Financial instruments
The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from banks.
Trade debtors, creditors and other accounts receivable and payable are recognised at transaction price. Amounts receivable or payable within one year continue to be measured, after their initial recognition, at the undiscounted amount of cash or other consideration expected to be received or paid.
Loans which bear a market rate of interest are also recognised at transaction price which is the amount received. These loans, after initial recognition, are measured at amortised cost using the effective rate method.

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3. EMPLOYEES AND DIRECTORS

	30.6.18	30.6.17
	£	£
Wages and salaries	2,431,884	2,181,333
Social security costs	270,117	237,574
Other pension costs	158,537	184,910
	2,860,538	2,603,817

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

	30.6.18	30.6.17
Management and administration	10	10
Mill and transport	46	40
Sales	16	14
	72	64

The average number of employees by undertakings that were proportionately consolidated during the year was 72 (2017 - 64).

	30.6.18	30.6.17
	£	£
Directors' remuneration	394,808	401,416
Directors' pension contributions to money purchase schemes	138,316	172,221

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	5	4

Information regarding the highest paid director is as follows:

	30.6.18	30.6.17
	£	£
Emoluments etc	57,418	62,956
Pension contributions to money purchase schemes	45,340	56,706

4. OPERATING PROFIT

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

	30.6.18	30.6.17
	£	£
Depreciation	492,141	407,471
Loss/(profit) on disposal of fixed assets	37,692	(2,712)
Auditors' remuneration	11,880	10,850

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2018

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.6.18	30.6.17
	£	£
Bank interest	9,308	3,898
Bank loan interest	6,774	-
Other interest	4,484	1,437
Hire purchase	12,522	11,471
	33,088	16,806

6. TAXATION

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

	30.6.18	30.6.17
	£	£
Current tax:		
UK corporation tax	319,130	303,993
Deferred tax	(8,116)	391
Tax on profit	311,014	304,384

UK corporation tax has been charged at 19% (2017 - 19.75%).

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.18	30.6.17
	£	£
Profit before tax	1,610,011	1,488,234
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.75%)	305,902	293,926
Effects of:		
Expenses not deductible for tax purposes	7,057	9,685
Capital allowances in excess of depreciation	-	(2,118)
Depreciation in excess of capital allowances	2,854	-
Depreciation on non-qualifying assets	3,317	2,500
Total tax charge	319,130	303,993

7. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

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

continued...

8. **DIVIDENDS**

	30.6.18	30.6.17
	£	£
Ordinary shares of £1 each		
Interim	750,000	634,800

9. **TANGIBLE FIXED ASSETS**

Group

	Freehold land and buildings	Plant and machinery	Weighbridge
	£	£	£
COST			
At 1 July 2017	1,274,445	3,731,771	55,610
Additions	694,815	127,984	-
At 30 June 2018	1,969,260	3,859,755	55,610
DEPRECIATION			
At 1 July 2017	104,582	2,768,344	50,935
Charge for year	17,458	265,771	1,169
Eliminated on disposal	-	-	-
At 30 June 2018	122,040	3,034,115	52,104
NET BOOK VALUE			
At 30 June 2018	1,847,220	825,640	3,506
At 30 June 2017	1,169,863	963,427	4,675

	Motor vehicles	Computer and office equipment	Totals
	£	£	£
COST			
At 1 July 2017	1,666,548	81,296	6,809,670
Additions	715,413	51,554	1,589,766
Disposals	(124,050)	-	(124,050)
At 30 June 2018	2,257,911	132,850	8,275,386
DEPRECIATION			
At 1 July 2017	956,691	76,988	3,957,540
Charge for year	188,833	18,910	492,141
Eliminated on disposal	(43,020)	-	(43,020)
At 30 June 2018	1,102,504	95,898	4,406,661
NET BOOK VALUE			
At 30 June 2018	1,155,407	36,952	3,868,725
At 30 June 2017	709,857	4,308	2,852,130

Included in cost of land and buildings is freehold land of £736,361 (2017 - £641,546) which is not depreciated.

continued...

9. TANGIBLE FIXED ASSETS - continued

Group

Included in the above figures are assets under hire purchase and finance lease agreements with a net book value of £797,673 (2017 - £381,427). The depreciation charged on these assets during the year was £118,950 (2017 - £65,296).

Company

	Freehold land and buildings £
COST	
At 1 July 2017	2,153,978
Additions	694,815
At 30 June 2018	2,848,793
DEPRECIATION	
At 1 July 2017	63,290
Charge for year	17,458
At 30 June 2018	80,748
NET BOOK VALUE	
At 30 June 2018	2,768,045
At 30 June 2017	2,090,688

Included in cost of land and buildings is freehold land of £839,376 (2017 - £744,561) which is not depreciated.

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2017 and 30 June 2018	29,700
NET BOOK VALUE	
At 30 June 2018	29,700
At 30 June 2017	29,700

continued...

10. 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

Crediton Milling Company Ltd
Registered office: 128 High Street, Crediton, Devon, EX17 3LQ.
Nature of business: Manufacture and merchandising of animal feedstuffs

	%
Class of shares:	holding
Ordinary	100.00

	30.6.18	30.6.17
	£	£
Aggregate capital and reserves	3,243,915	3,090,993
Profit for the year	1,307,172	1,179,315

11. INVESTMENT PROPERTY

Group

	Total
	£
FAIR VALUE	
At 1 July 2017	
and 30 June 2018	317,953
NET BOOK VALUE	
At 30 June 2018	317,953
At 30 June 2017	317,953

Company

	Total
	£
FAIR VALUE	
At 1 July 2017	
and 30 June 2018	317,953
NET BOOK VALUE	
At 30 June 2018	317,953
At 30 June 2017	317,953

The property is stated at fair value, following an assessment by the director Mr M J Gulley, who is not a professionally qualified valuer. The historical cost figure for the above property is £317,953.

continued...

12. STOCKS

	Group	
	30.6.18	30.6.17
	£	£
Raw materials and consumables	469,706	385,639
Finished goods and goods for re-sale	239,281	255,947
	708,987	641,586

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.18	30.6.17	30.6.18	30.6.17
	£	£	£	£
Trade debtors	4,275,525	3,866,236	22,863	24,933
Amounts owed from group undertakings	-	-	250,239	501,106
Other debtors	166,128	108,376	-	-
Prepayments	75,508	74,795	-	-
	4,517,161	4,049,407	273,102	526,039

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.18	30.6.17	30.6.18	30.6.17
	£	£	£	£
Bank loans and overdrafts (see note 16)	73,884	-	-	-
Hire purchase contracts (see note 17)	259,351	187,309	-	-
Trade creditors	4,061,156	3,653,554	-	-
Tax	319,130	303,993	2,177	4,232
Social security and other taxes	101,639	90,064	-	-
Other creditors	12,037	1,903	12,037	1,903
Directors' current accounts	24,073	3,806	24,073	3,806
Accrued expenses	48,882	40,995	4,375	4,375
	4,900,152	4,281,624	42,662	14,316

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

	Group	
	30.6.18	30.6.17
	£	£
Bank loans (see note 16)	555,354	-
Hire purchase contracts (see note 17)	286,405	45,369
	841,759	45,369

continued...

16. LOANS

An analysis of the maturity of loans is given below:

	Group	
	30.6.18	30.6.17
	£	£
Amounts falling due within one year or on demand:		
Bank loans	73,884	-
Amounts falling due between one and two years:		
Bank loans - 1-2 years	73,884	-
Amounts falling due between two and five years:		
Bank loans - 2-5 years	481,470	-

The bank loan drawn down in the year is being repaid by monthly instalments. The term is five years. The loan is subject to a variable rate of interest, which carries a margin of 2% over bank base rate.

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	30.6.18	30.6.17
	£	£
Gross obligations repayable:		
Within one year	271,127	194,393
Between one and five years	300,768	47,006
	571,895	241,399
Finance charges repayable:		
Within one year	11,776	7,084
Between one and five years	14,363	1,637
	26,139	8,721
Net obligations repayable:		
Within one year	259,351	187,309
Between one and five years	286,405	45,369
	545,756	232,678

continued...

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	30.6.18	30.6.17
	£	£
Bank loans	629,238	-
Hire purchase contracts	545,756	232,678
	1,174,994	232,678

The group's bankers hold an unlimited cross guarantee given by Crediton Milling Holdings Ltd as security against the borrowings of Crediton Milling Company Ltd. The bank also holds a charge against other group assets by means of a debenture.
The hire purchase contracts are secured against various tangible fixed assets.

19. FINANCIAL INSTRUMENTS

Information concerning the risks associated with financial instruments is included within thc company's Strategic Report.

20. PROVISIONS FOR LIABILITIES

	Group	
	30.6.18	30.6.17
	£	£
Deferred tax		
Balance brought forward	138,567	138,176
Accelerated capital allowances	(8,116)	391
	130,451	138,567

Group

	Deferred tax
	£
Balance at 1 July 2017	138,567
Credit to Statement of Comprehensive Income during year	(8,116)
Balance at 30 June 2018	130,451

The deferred tax liability is in respect of accelerated capital allowances.

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.18 £	30.6.17 £
30,000	Ordinary	£1	30,000	30,000

Each share is entitled to one vote in any circumstances and each share is also entitled pari passu to dividend payments or any other distribution, including a distribution arising from a winding up of the company.

continued...

22. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Other reserves £	Totals £
At 1 July 2017	5,023,699	19,500	17,632	5,060,831
Profit for the year	1,298,997			1,298,997
Dividends	(750,000)			(750,000)
At 30 June 2018	5,572,696	19,500	17,632	5,609,828

Company

	Retained earnings £
At 1 July 2017	2,920,364
Profit for the year	1,146,074
Dividends	(750,000)
At 30 June 2018	3,316,438

continued...

23. RELATED PARTY DISCLOSURES

Group
Other related parties

	30.6.18	30.6.17
	£	£
Sales	164,675	116,785
Purchases	422,730	303,090
Fixed assets	-	48,000
Services	49,829	49,829
Advances	-	25,000
Amount due from related party	42,876	58,258
Amount due to related party	8,967	9,975

The above figures relate to transactions with entities in which key management and close family members have a controlling interest.

Group/Company
Key management personnel of the entity or its parent (in the aggregate)

	30.6.18	30.6.17
	£	£
Rents received	9,600	9,600
Dividends paid	750,000	634,800
Amount due to related party	36,109	5,710

24. ULTIMATE CONTROLLING PARTY

The group is controlled by the directors Mr M J Gulley and Mrs S L Power who own 66.67% of the issued share capital of Crediton Milling Holdings Ltd.