

Company Registration No. 02027459 (England and Wales)

MICHAEL I HOLDSWORTH LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2014



MICHAEL I HOLDSWORTH LIMITED

COMPANY INFORMATION

Directors

Mr J A Marriott
Mrs R J C Warhurst
Mr R M E Holdsworth
Mrs E V Trevethick

Secretary

Mrs E V Trevethick

Company number

02027459

Registered office

The Mill
Manchester Road
Tideswell
Derbyshire
SK17 8LN

Auditors

Josolyne & Co
Silk House
Park Green
Macclesfield
Cheshire
SK11 7QW

Bankers

Lloyds TSB
43 Irongate
Derby
Derbyshire
DE1 3FT

MICHAEL I HOLDSWORTH LIMITED

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MICHAEL I HOLDSWORTH LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2014

Review of the business

Our key objective is to continue being a family owned, successful, business that will endeavour to grow organically, reward our shareholders whilst still providing a first class service to our customers.

We remain a successful business, as our acquisition strategy is to stay with our core activities, which is the storage and distribution of frozen, dry, chilled foods and fresh meats.

Our business model is to continue to supply quality products at affordable prices in an effective and efficient way and to stay controlled enough to be proactive to external forces.

The directors strive at all times to maintain good housekeeping skills with paperwork traceability and we maintain all our Accreditations to a very high standard, using internal audit teams to assist us.

We continue to have a diverse customer base and continually review our geographical areas to ensure the customer base is managed well by designated sales support managers and our internal sales teams.

The close relationship we have between our all members of staff, allows us hands on implementation of overhead controls thereby allowing us to maintain our core financial strengths.

Our performance this year has been very good and achievable through our continuing re-investment in the business. Our sales are up by 15%, our gross profit is up 12% and our profit before taxation has remained more or less the same as last year.

These results have been attainable through the hard work of all our members of staff, who are mostly long serving members who have excellent product knowledge and who have one to one relationships with our customers and are able to fulfil their needs and strengthen the trading relationship.

We have a high standard of business conduct and we have an excellent credit history within the food industry and we strive always to better our trading relationship with our suppliers, allowing us to source new products more effectively and we are able to promptly supply any ingredient information to our customers.

During the year we acquired a business in North Lincolnshire and set up a new depot in Essex both these activities strengthened our buying skills and have allowed us to offer better consistency of quality products at affordable prices and also strengthened the close trading relationship that we have with our suppliers.

Due to synergies from our organic growth this year and our overall control over our expenses, our overheads have only increased by 13% .

We remain active in reducing our carbon footprint and have already replaced cold store lighting with lower wattage bulbs. We continually review and monitor our fleet of vehicles and all new vehicles now have lower fuel emissions. We have installed solar panels on one of our cold store's roof and we continue to promote recycling and now have systems set up at all our nine depots to have cardboard collected separately to our general waste.

Principal Risks and Uncertainties

The world's environmental climate and disasters will always have an impact on our business, whether it be directly or indirectly. The continuity of food supplies is paramount to our business, but due to our economies of scale we are able to be proactive within the supply chain.

We remain vigilant to competition and we collectively strive to improve our market share through innovation and the ability to work closely with our customers and suppliers.

The buoyancy of the economic markets is always a challenge for Retailers and Wholesalers. Our business model and economies of scale provide us with protection to Government's austerity disciplines.

Future Government legislation is always an uncertainty, however with our proven good business ethos we stay firmly proactive to any changes within our industry and have the financial and manpower stability to resolve any uncertainties that come our way.

MICHAEL I HOLDSWORTH LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

Future Development

Our short term strategies include the constant reviews of our non-financial indicators, Health and Safety policies, risk assessments, employee appraisals and our customer needs.

We have weekly strategic meetings and shareholders are kept up to date at all times.

We are currently building a new cold store in Chesterfield, once this is built we shall be refurbishing our Tideswell cold store and ancillary buildings.

Our medium term strategy is to manage the continuity of business while the refurbishments take place.

Our long term strategy remains the same ie., to maintain a successful business but at the same time remain respectful of our environment by always researching better and more effective way of storing and distributing food.

We are actively looking at ways of growing the business further, ensuring that we keep within our parameters of logistic management control.

The directors' believe the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for the shareholders to assess the company's performance, business model and strategy.

This Strategic report, which has been prepared in accordance with the requirements of the Companies Act 2006, has been approved and signed on behalf of the Board.



Mrs E V Trevethick

Secretary

17 November 2014

MICHAEL I HOLDSWORTH LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2014

The directors present their report and financial statements for the year ended 28 February 2014.

Principal activities

The principal activity of the company continued to be that of wholesale and retail marketing and distribution of frozen, chilled, ambient foods and fresh meats.

Results and dividends

The results for the year are set out on Page 7.

Dividends paid during the year amounted to £802,525 (2013 - £507,025)

Directors

The following directors have held office since 1 March 2013:

Mr J A Marriott
Mrs R J C Warhurst
Mr R M E Holdsworth
Mrs E V Trevethick

Employee involvement

It is the policy of Holdsworth to encourage and develop all members of staff to realise their maximum potential. Wherever possible, vacancies are filled from within the Company and adequate opportunities for internal promotion are created. We are committed to identifying the opportunities for employees to maintain and improve their performance and to develop their potential to a maximum level of attainment. In this way, staff will make their best possible contribution to the organisation's continued success.

We have invested in driver training to ensure compliance with all current legislation and ongoing improvements in our systems to monitor this; including to ensure all drivers complete their Driver CPC training requirement by the deadline in September 2014.

Disabled persons

It is Holdsworth policy that all persons should be considered for employment, training, career development and promotion on the basis of their abilities and aptitudes, regardless of physical ability, age, gender, sexual orientation, religion or ethnic origin.

We apply employment policies that are fair and equitable for all employees and these ensure that entry into and progression with the company is determined solely by application of job criteria and personal ability and competence.

Full and fair consideration (having regard to the person's particular aptitudes and abilities) is given to applications for employment and the career development of disabled persons. Training and development policies make it clear that it will take all steps practicable to ensure that employees who become disabled during the time they are employed by Holdsworth are able to continue to perform their duties.

Environmental Policy

Holdsworth recognise and comply with all relevant regulations and our Environmental Policy allows us to continue to strive to minimise the impact of our trading activities on the environment and maintain a high level of recycling at our nine depots. Our membership of the Cold Storage Distribution Federation allows us to continue to pursue the challenges to decrease our energy emissions.

We continue to monitor our energy consumption to ensure its use is made efficiently and to continue to achieve our goals we installed LED lighting at our cold store in Worcestershire.

Creditor payment policy

Our buying department continues to develop good trading relations with all our suppliers and we agree terms of payment with suppliers when contracting for their products and/or services. Trade creditors at the end of the period represented 30 days of purchases (2013: 31 days).

MICHAEL I HOLDSWORTH LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Mrs E V Trevethick

Secretary

17 November 2014

MICHAEL I HOLDSWORTH LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MICHAEL I HOLDSWORTH LIMITED

We have audited the financial statements of Michael I Holdsworth Limited for the year ended 28 February 2014 set out on pages 7 to 21. 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 - 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 Ethical Standards for Auditors.

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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2014 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.

MICHAEL I HOLDSWORTH LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF MICHAEL I HOLDSWORTH LIMITED

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.

Josolyne & Co

Mrs Nicki Pace (Senior Statutory Auditor)
for and on behalf of Josolyne & Co

17 November 2014

Chartered Accountants
Statutory Auditor

Silk House
Park Green
Macclesfield
Cheshire
SK11 7QW

MICHAEL I HOLDSWORTH LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2014

	Notes	2014 £	2013 £
Turnover	2	66,591,410	57,791,278
Cost of sales		(49,663,359)	(42,624,568)
Gross profit		16,928,051	15,166,710
Distribution costs		(11,291,846)	(9,755,345)
Administrative expenses		(3,728,774)	(3,365,998)
Other operating income		110,278	50,245
Operating profit	3	2,017,709	2,095,612
Investment income	4	135	502
Other interest receivable and similar income	4	18,316	15,218
Interest payable and similar charges	5	(30,922)	(30,849)
Profit on ordinary activities before taxation		2,005,238	2,080,483
Tax on profit on ordinary activities	6	(583,895)	(543,313)
Profit for the year	18	1,421,343	1,537,170

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

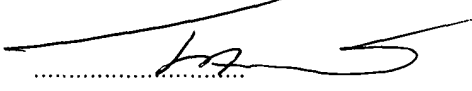
MICHAEL I HOLDSWORTH LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Intangible assets	8		853,785		717,360
Tangible assets	9		1,832,194		1,556,415
Investments	10		15,000		15,000
			<u>2,700,979</u>		<u>2,288,775</u>
Current assets					
Stocks	11	4,490,368		3,948,299	
Debtors	12	5,607,743		4,900,571	
Cash at bank and in hand		1,295,076		1,154,182	
		<u>11,393,187</u>		<u>10,003,052</u>	
Creditors: amounts falling due within one year	13	(7,233,198)		(6,238,936)	
		<u></u>		<u></u>	
Net current assets			4,159,989		3,764,116
			<u></u>		<u></u>
Total assets less current liabilities			6,860,968		6,052,891
			<u></u>		<u></u>
Creditors: amounts falling due after more than one year	14		(309,290)		(120,031)
			<u></u>		<u></u>
			<u>6,551,678</u>		<u>5,932,860</u>
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	17		25,035		25,035
Profit and loss account	18		6,526,643		5,907,825
			<u></u>		<u></u>
Shareholders' funds	19		6,551,678		5,932,860
			<u></u>		<u></u>

Approved by the Board and authorised for issue on 17 November 2014


Mr J A Marriott
Director

Company Registration No. 02027459

MICHAEL I HOLDSWORTH LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 28 FEBRUARY 2014

	£	2014 £	£	2013 £
Net cash inflow from operating activities		2,592,519		1,829,848
Returns on investments and servicing of finance				
Interest received	18,316		15,218	
Interest paid	(30,922)		(30,849)	
Dividends received	135		502	
Net cash outflow for returns on investments and servicing of finance		(12,471)		(15,129)
Taxation		(480,000)		(614,683)
Capital expenditure				
Payments to acquire intangible assets	(300,000)		-	
Payments to acquire tangible assets	(413,169)		(525,527)	
Receipts from sales of tangible assets	31,245		105,199	
Net cash outflow for capital expenditure		(681,924)		(420,328)
Equity dividends paid		(802,525)		(507,025)
Net cash inflow before management of liquid resources and financing		615,599		272,683
Financing				
Purchase of own shares	-		(13)	
Capital element of hire purchase contracts	(474,705)		(537,510)	
Net cash outflow from financing		(474,705)		(537,523)
Increase/(decrease) in cash in the year		140,894		(264,840)

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2014

1 Reconciliation of operating profit to net cash outflow from operating activities		2014	2013
		£	£
Operating profit		2,017,709	2,095,612
Depreciation of tangible assets		760,347	704,398
Amortisation of intangible assets		163,575	148,429
(Profit)/loss on disposal of tangible assets		(13,039)	16,657
Increase in stocks		(542,069)	(917,599)
Increase in debtors		(681,031)	(206,681)
Increase/(decrease) in creditors within one year		887,027	(10,968)
Net cash inflow from operating activities		2,592,519	1,829,848

2 Analysis of net funds	1 March 2013	Cash flow	Other non-cash changes	28 February 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	1,281,480	373,052	-	1,654,532
Bank overdrafts	(127,298)	(232,158)	-	(359,456)
	<u>1,154,182</u>	<u>140,894</u>	<u>-</u>	<u>1,295,076</u>
Bank deposits	-	-	-	-
Debt:				
Finance leases	(446,247)	(207,733)	-	(653,980)
Net funds	<u>707,935</u>	<u>(66,839)</u>	<u>-</u>	<u>641,096</u>

3 Reconciliation of net cash flow to movement in net funds		2014	2013
		£	£
Increase/(decrease) in cash in the year		140,894	(264,840)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		(207,733)	386,939
Movement in net funds in the year		(66,839)	122,099
Opening net funds		707,935	585,836
Closing net funds		641,096	707,935

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Goodwill is the difference between the amount paid on the acquisition of a business and the aggregate fair value of its separable net assets. It is being amortised in equal annual instalments over the directors' estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Over the lease term
Plant and machinery	Over 4 to 15 years
Motor vehicles	Over 4 to 5 years

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis. Net realisable value is determined on the basis of expected selling price less further costs expected to be incurred to completion and disposal.

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

1 Accounting policies

(Continued)

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Holdsworth Holdings Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

1.12 Employee Benefit Trusts

Trusts have been established for the benefit of Company employees and certain of their dependants. Monies held in these trusts are held by independent trustees and managed at their discretion.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2014

3	Operating profit	2014	2013
		£	£
	Operating profit is stated after charging:		
	Amortisation of intangible assets	163,575	148,429
	Depreciation of tangible assets	760,347	704,398
	Loss on disposal of tangible assets	477	18,657
	Operating lease rentals		
	- Plant and machinery	248,411	188,814
	- Other assets	834,812	739,141
	and after crediting:		
	Profit on disposal of tangible assets	(13,516)	(2,000)
		<u> </u>	<u> </u>
	Auditors' remuneration		
	Fees payable to the company's auditor for the audit of the company's annual accounts	18,850	17,250
	Taxation	1,705	4,090
	All other	3,931	6,190
		<u> </u>	<u> </u>
		24,486	27,530
		<u> </u>	<u> </u>
4	Investment income	2014	2013
		£	£
	Income from fixed asset investments	135	502
	Bank interest	18,316	15,218
		<u> </u>	<u> </u>
		18,451	15,720
		<u> </u>	<u> </u>
5	Interest payable	2014	2013
		£	£
	Hire purchase interest	30,922	30,471
	Other interest	-	378
		<u> </u>	<u> </u>
		30,922	30,849
		<u> </u>	<u> </u>

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2014

6	Taxation	2014 £	2013 £
	Domestic current year tax		
	U.K. corporation tax	565,738	566,604
	Adjustment for prior years	3,037	(3,438)
	Total current tax	568,775	563,166
	Deferred tax		
	Origination and reversal of timing differences	15,120	(19,853)
		583,895	543,313
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	2,005,238	2,080,483
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.09% (2013 - 24.17%)	462,909	502,853
	Effects of:		
	Non deductible expenses	112,989	28,790
	Depreciation add back	172,516	174,279
	Capital allowances	(182,675)	(139,318)
	Adjustments to previous periods	3,036	(3,438)
		105,866	60,313
	Current tax charge for the year	568,775	563,166

There are unresolved tax issues relating to prior years, the outcome of which is uncertain but may give rise to additional liabilities which cannot be quantified at this time.

7	Dividends	2014 £	2013 £
	Ordinary interim paid	795,525	497,525
	Deferred dividends paid	7,000	9,500
		802,525	507,025

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2014

8 Intangible fixed assets

	Goodwill £
Cost	
At 1 March 2013	1,455,924
Additions	300,000
At 28 February 2014	<u>1,755,924</u>
Amortisation	
At 1 March 2013	738,564
Charge for the year	163,575
At 28 February 2014	<u>902,139</u>
Net book value	
At 28 February 2014	<u>853,785</u>
At 28 February 2013	<u>717,360</u>

9 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 March 2013	32,680	1,579,978	3,120,466	4,733,124
Additions	4,535	181,503	868,294	1,054,332
Disposals	-	(21,572)	(796,417)	(817,989)
At 28 February 2014	<u>37,215</u>	<u>1,739,909</u>	<u>3,192,343</u>	<u>4,969,467</u>
Depreciation				
At 1 March 2013	13,910	1,263,946	1,898,853	3,176,709
On disposals	-	(19,652)	(780,131)	(799,783)
Charge for the year	464	127,471	632,412	760,347
At 28 February 2014	<u>14,374</u>	<u>1,371,765</u>	<u>1,751,134</u>	<u>3,137,273</u>
Net book value				
At 28 February 2014	<u>22,841</u>	<u>368,144</u>	<u>1,441,209</u>	<u>1,832,194</u>
At 28 February 2013	<u>18,770</u>	<u>316,032</u>	<u>1,221,613</u>	<u>1,556,415</u>

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2014

9 Tangible fixed assets

(Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 28 February 2014	845,075
At 28 February 2013	726,278
Depreciation charge for the year	
At 28 February 2014	226,522
At 28 February 2013	314,435

10 Fixed asset investments

	Unlisted investments £
Cost	
At 1 March 2013 & at 28 February 2014	15,000
Net book value	
At 28 February 2014	15,000
At 28 February 2013	15,000

11 Stocks

	2014 £	2013 £
Stocks of fuel	32,976	26,168
Frozen and Dry goods for resale	4,457,392	3,922,131
	4,490,368	3,948,299

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2014

12 Debtors	2014 £	2013 £
Trade debtors	4,974,554	4,393,033
Other debtors	47,314	35,120
Prepayments and accrued income	421,718	293,141
Deferred tax asset (see note 15)	164,157	179,277
	<u>5,607,743</u>	<u>4,900,571</u>
13 Creditors: amounts falling due within one year	2014 £	2013 £
Net obligations under hire purchase contracts	344,690	326,216
Trade creditors	4,533,385	4,079,523
Amounts owed to parent and fellow subsidiary undertakings	275,995	352,551
Corporation tax	265,738	176,963
Other taxes and social security costs	596,458	199,812
Other creditors	576,075	569,762
Accruals and deferred income	640,857	534,109
	<u>7,233,198</u>	<u>6,238,936</u>
14 Creditors: amounts falling due after more than one year	2014 £	2013 £
Net obligations under hire purchase contracts	<u>309,290</u>	<u>120,031</u>
Net obligations under hire purchase contracts		
Repayable within one year	344,690	326,216
Repayable between one and five years	309,290	120,031
	<u>653,980</u>	<u>446,247</u>
Included in liabilities falling due within one year	<u>(344,690)</u>	<u>(326,216)</u>
	<u>309,290</u>	<u>120,031</u>

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2014

15 Provisions for liabilities

The deferred tax asset (included in debtors, note 12) is made up as follows:

	2014 £	
Balance at 1 March 2013	(179,277)	
Profit and loss account	15,120	
	<u> </u>	
Balance at 28 February 2014	<u>(164,157)</u>	
	2014 £	2013 £
Decelerated capital allowances	<u>(164,157)</u>	<u>(179,277)</u>

16 Pension and other post-retirement benefit commitments Defined contribution

	2014 £	2013 £
Contributions payable by the company for the year	173,503	184,361
Contributions payable to the fund at the year end and included in creditors	<u>(33,089)</u>	<u>(19,545)</u>

17 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
25,000 Ordinary shares of £1 each	25,000	25,000
3,500 Deferred shares of 1p each	35	35
	<u>25,035</u>	<u>25,035</u>

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2014

18 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 March 2013	5,907,825
Profit for the year	1,421,343
Dividends paid	(802,525)
Balance at 28 February 2014	<u>6,526,643</u>

19 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	1,421,343	1,537,170
Dividends	(802,525)	(507,025)
	<u>618,818</u>	<u>1,030,145</u>
Purchase of own shares	-	(13)
Net addition to shareholders' funds	618,818	1,030,132
Opening shareholders' funds	5,932,860	4,902,728
Closing shareholders' funds	<u>6,551,678</u>	<u>5,932,860</u>

20 Financial commitments

At 28 February 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 28 February 2015:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Operating leases which expire:				
Within one year	84,797	2,520	28,215	18,027
Between two and five years	62,612	53,394	89,821	54,995
In over five years	678,763	678,763	11,770	53,498
	<u>826,172</u>	<u>734,677</u>	<u>129,806</u>	<u>126,520</u>

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2014

21	Capital commitments	2014	2013
		£	£
	At 28 February 2014 the company had capital commitments as follows:		
	Contracted for but not provided in the financial statements	171,355	422,000
		<u> </u>	<u> </u>

22	Directors' remuneration	2014	2013
		£	£
	Remuneration for qualifying services	242,629	226,691
	Company pension contributions to defined contribution schemes	32,750	52,706
		<u> </u>	<u> </u>
		275,379	279,397
		<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2013 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	155,576	147,966
Company pension contributions to defined contribution schemes	22,925	43,796
	<u> </u>	<u> </u>

MICHAEL I HOLDSWORTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2014

23 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Administration employees	25	26
Distribution & selling employees	265	234
Management employees	2	2
	<u>292</u>	<u>262</u>

Employment costs

	2014 £	2013 £
Wages and salaries	7,843,524	6,731,437
Social security costs	902,960	635,752
Other pension costs	173,503	184,361
	<u>8,919,987</u>	<u>7,551,550</u>

24 Control

Throughout the year the company was a wholly owned subsidiary of Holdsworth Holdings, a company controlled by Mr M I Holdsworth and members of his close family.

The company has taken advantage of the exemption to disclose transactions with other group companies conferred by FRS8 Related Party Transactions.

25 Related party transactions

During the year, the company had the following transactions with related parties:

	During the year £	Balance as at year end £
The Holdsworth Executive Pension Scheme		
Rents paid	93,394	-
	<u>93,394</u>	<u>-</u>
Holdsworth Properties - a partnership comprising 2 of the directors and members of their close family.		
Rents paid	80,000	-
	<u>80,000</u>	<u>-</u>