

Registration number: 02027459

Michael I Holdsworth Limited

Annual Report and Financial Statements

for the Year Ended 28 February 2015

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Michael I Holdsworth Limited
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Michael I Holdsworth Limited
Company Information

Directors	J A Marriott R J C Warhurst R M E Holdsworth E V Trevethick
Company secretary	E V Trevethick
Registered office	The Mill Manchester Road Tideswell Derbyshire SK17 8LN
Bankers	Lloyds TSB 43 Irongate Derby Derbyshire DE1 3FT
Auditors	Hawsons Chartered Accountants Statutory Auditor Pegasus House 463a Glossop Road Sheffield S10 2QD

Michael I Holdsworth Limited
Strategic Report for the Year Ended 28 February 2015

The directors present their Strategic Report for the year ended 28 February 2015.

Review of the business

Fair review of the business

The results for the year are set out in the financial statements.

Our key objective is to continue being a family-owned, successful business that will endeavour to grow organically and 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 and to improve on our internal logistics.

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. Our sales teams continue to integrate our fresh meats into our existing range of good quality products, and we continue to have good feedback from our customers. We have increased our meat turnover by 14%.

During the year we acquired the site we occupied in the South East of England, thereby confirming our commitment to developing our business further in this area. We also built a new cold store to assist with the refurbishment of our existing Derbyshire cold store. The building of our new cold store has strengthened our buying skills and has allowed us to offer a much 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 continued organic growth this year and the close relationship we have between all our members of staff, which has allowed implementation of overhead controls, the company has been able to maintain its core financial strengths. Our overheads have only increased by 11% .

Our performance this year has been very good and achieved through our continuing re-investment in the business. Our sales are up by 12%, our gross profit is up 16.5% and our profit before taxation has increased by 75%. These results have been attainable through our additional storage capacity and the hard work of all our members of staff, who are mostly long serving members with 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.

We remain active in reducing our carbon footprint. We worked closely with the refrigeration company when designing the new cold store. We replaced 15% of our vehicles and 37% of our company cars. We continue to replace office lighting with new LED lights that have a lower wattage. We maintain our solar panels so as to maintain good renewable energy levels and we continue to promote re-cycling throughout our depots.

The directors believe the annual report and financial statements, taken as a whole, to be fair, balanced and understandable and provide the information necessary for the shareholders to assess the company's performance, business model and strategies.

Michael I Holdsworth Limited
Strategic Report for the Year Ended 28 February 2015

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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 and 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 against the government's continuing austerity measures. Future government legislation is always uncertain, 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.

Future developments

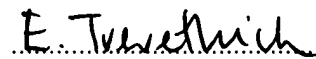
Our short term strategies include the constant review of our non-financial indicators, health and safety policies, risk assessments, employee appraisals and our customer needs. We have weekly strategic meetings and shareholders are kept up to date at all times.

Our medium term strategy is to continue to manage the continuity of business while the refurbishments are completed and whilst we develop our site in Essex, ensuring that we keep within our parameters of logistic management control.

Our long term strategy is to further build our business in the South of England. We have purchased the site we occupy in Essex, this not only confirms our future commitment to this area but we are currently working on a re-investment programme for the site to ensure future business development and job security for the staff. We have more than doubled our storage capacity in Derbyshire and plan to further develop our business both north and west of England.

We continue 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.

Approved by the Board on 30 June 2015 and signed on its behalf by:


E V Trevethick
Director

Michael I Holdsworth Limited
Directors' Report for the Year Ended 28 February 2015

The directors present their report and the financial statements for the year ended 28 February 2015.

Directors of the company

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

J A Marriott

R J C Warhurst

R M E Holdsworth

E V Trevethick

Principal activity

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.

Dividends

Dividends paid during the year amounted to £705,750 (2014 - £802,525).

Environmental Policies

The company recognises and complies 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 it is efficient and we liaised closely with the refrigeration supply when building our new Cold Store.

Employment of 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 within, 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 all steps practicable will be taken to ensure that employees who become disabled during the time they are employed by Holdsworth are able to continue to perform their duties.

Employee involvement

It is Holdsworth policy 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 continue to invest in driver training to ensure compliance with all current legislation and ongoing improvements in our systems to monitor this.

Michael I Holdsworth Limited
Directors' Report for the Year Ended 28 February 2015

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Disclosure of information to the auditors

The directors of the company who held office at the date of the approval of this Annual Report as set out above each confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Reappointment of auditors

In accordance with the Companies Act 2006, a resolution for the re-appointment of Hawsons Chartered Accountants as auditors of the company will be put to the members.

Approved by the Board on 30 June 2015 and signed on its behalf by:


.....
E V Trevethick
Director

Michael I Holdsworth Limited
Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Independent Auditor's 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 2015, set out on pages 9 to 23. 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 auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), 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.

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 Directors' Report and Strategic 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 28 February 2015 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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

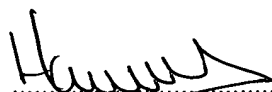
**Independent Auditor's Report to the Members of
Michael I Holdsworth Limited**

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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.



Christopher Hill (Senior Statutory Auditor)

For and on behalf of Hawsons Chartered Accountants, Statutory Auditor

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

30 June 2015

Michael I Holdsworth Limited
Profit and Loss Account for the Year Ended 28 February 2015

	Note	2015 £	2014 £
Turnover	2	74,691,094	66,591,410
Cost of sales		<u>(54,957,037)</u>	<u>(49,663,359)</u>
Gross profit		19,734,057	16,928,051
Distribution costs		(12,651,147)	(11,291,846)
Administrative expenses		(3,778,531)	(3,728,774)
Other operating income		<u>209,524</u>	<u>110,278</u>
Operating profit	3	3,513,903	2,017,709
Income from other fixed asset investments		110	135
Other interest receivable and similar income	7	20,344	18,316
Interest payable and similar charges	8	<u>(23,451)</u>	<u>(30,922)</u>
Profit on ordinary activities before taxation		3,510,906	2,005,238
Tax on profit on ordinary activities	9	<u>(765,419)</u>	<u>(583,895)</u>
Profit for the financial year	19	<u><u>2,745,487</u></u>	<u><u>1,421,343</u></u>

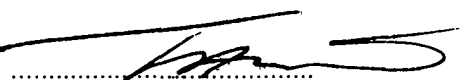
Turnover and operating profit derive wholly from continuing operations.

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

Michael I Holdsworth Limited
(Registration number: 02027459)
Balance Sheet at 28 February 2015

	Note	2015 £	2014 £
Fixed assets			
Intangible fixed assets	10	709,757	853,785
Tangible fixed assets	11	2,530,762	1,832,194
Investments	12	15,000	15,000
		<u>3,255,519</u>	<u>2,700,979</u>
Current assets			
Stocks	13	5,085,007	4,490,368
Debtors	14	7,138,109	5,607,743
Cash at bank and in hand		1,705,273	1,295,076
		<u>13,928,389</u>	<u>11,393,187</u>
Creditors: Amounts falling due within one year	15	<u>(8,327,407)</u>	<u>(7,233,198)</u>
Net current assets		<u>5,600,982</u>	<u>4,159,989</u>
Total assets less current liabilities		8,856,501	6,860,968
Creditors: Amounts falling due after more than one year	16	<u>(265,086)</u>	<u>(309,290)</u>
Net assets		<u><u>8,591,415</u></u>	<u><u>6,551,678</u></u>
Capital and reserves			
Called up share capital	17	25,035	25,035
Profit and loss account	19	8,566,380	6,526,643
Shareholders' funds	20	<u><u>8,591,415</u></u>	<u><u>6,551,678</u></u>

These financial statements were approved and authorised for issue by the Board on 30 June 2015 and signed on its behalf by:



J A Marriott
Director

Michael I Holdsworth Limited
Notes to the Financial Statements for the Year Ended 28 February 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 5 to 20 years

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, on a straight line basis over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	Over the lease term
Plant and machinery	Over 4 to 15 years
Motor vehicles	Over 4 to 5 years

Fixed asset investments

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

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Cost is determined on a first in first out basis. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... continued

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Employee Benefit Trusts

Trusts have been established for the benefit of the employees of the company and certain of their dependents. 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 service 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 service 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.

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... *continued*

2 Turnover

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

3 Operating profit

Operating profit is stated after charging:

	2015 £	2014 £
Operating leases - plant and machinery	191,590	248,411
Operating leases - other assets	971,457	834,812
Profit on sale of tangible fixed assets	(32,102)	(13,516)
Loss on sale of tangible fixed assets	-	477
Depreciation of owned assets	542,599	533,825
Depreciation of assets held under hire purchase contracts	366,442	226,522
Amortisation	144,028	163,575

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... continued

4 Auditor's remuneration

	2015 £	2014 £
Audit of the financial statements	15,000	18,850
Other fees to auditors		
Tax services	17,308	1,705
Other services	9,706	3,931
	27,014	5,636
	42,014	24,486

5 Particulars of employees

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

	2015 No.	2014 No.
Administration	33	25
Distribution and selling	303	265
Management	2	2
	338	292

The aggregate payroll costs were as follows:

	2015 £	2014 £
Wages and salaries	8,426,697	7,843,524
Social security costs	777,753	902,960
Staff pensions	251,050	173,503
	9,455,500	8,919,987

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... continued

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2015 £	2014 £
Remuneration (including benefits in kind)	239,439	242,629
Company contributions paid to money purchase schemes	36,036	32,750
	<u>275,475</u>	<u>275,379</u>

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

	2015 No.	2014 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

In respect of the highest paid director:

	2015 £	2014 £
Remuneration	156,299	155,576
Company contributions to money purchase pension schemes	25,223	22,925
	<u>181,522</u>	<u>178,501</u>

7 Other interest receivable and similar income

	2015 £	2014 £
Bank interest receivable	<u>20,344</u>	<u>18,316</u>

8 Interest payable and similar charges

	2015 £	2014 £
Hire purchase interest	<u>23,451</u>	<u>30,922</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... continued

9 Taxation

Tax on profit on ordinary activities

	2015 £	2014 £
Current tax		
Corporation tax charge	705,579	565,738
Adjustments in respect of previous years	(1,317)	3,037
UK Corporation tax	704,262	568,775
Deferred tax		
Origination and reversal of timing differences	61,157	15,120
Total tax on profit on ordinary activities	765,419	583,895

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 21.17% (2014 - 23.09%).

The differences are reconciled below:

	2015 £	2014 £
Profit on ordinary activities before taxation	3,510,906	2,005,238
Corporation tax at standard rate	743,259	462,909
Capital allowances in excess of depreciation	(47,783)	(10,159)
Other differences	(789)	-
Expenses not deductible for tax purposes	10,892	112,989
Adjustments for prior periods	(1,317)	3,036
Total current tax	704,262	568,775

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... *continued*

10 Intangible fixed assets

	Goodwill £
Cost	
At 1 March 2014 and 28 February 2015	<u>1,755,924</u>
Amortisation	
At 1 March 2014	902,139
Charge for the year	<u>144,028</u>
At 28 February 2015	<u>1,046,167</u>
Net book value	
At 28 February 2015	<u>709,757</u>
At 28 February 2014	<u>853,785</u>

11 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 March 2014	37,215	1,739,909	3,192,343	4,969,467
Additions	59,778	894,634	709,453	1,663,865
Disposals	-	-	(270,446)	(270,446)
At 28 February 2015	<u>96,993</u>	<u>2,634,543</u>	<u>3,631,350</u>	<u>6,362,886</u>
Depreciation				
At 1 March 2014	14,374	1,371,765	1,751,134	3,137,273
Charge for the year	8,234	179,167	721,640	909,041
Eliminated on disposals	-	-	(214,190)	(214,190)
At 28 February 2015	<u>22,608</u>	<u>1,550,932</u>	<u>2,258,584</u>	<u>3,832,124</u>
Net book value				
At 28 February 2015	<u>74,385</u>	<u>1,083,611</u>	<u>1,372,766</u>	<u>2,530,762</u>
At 28 February 2014	<u>22,841</u>	<u>368,144</u>	<u>1,441,209</u>	<u>1,832,194</u>

Leased assets

Included within the net book value of tangible fixed assets is £892,302 (2014 - £845,075) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £366,442 (2014 - £226,522).

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... continued

12 Investments held as fixed assets

	2015 £	2014 £
Other investments	<u>15,000</u>	<u>15,000</u>

Other investments

	Unlisted investments £
Cost	
At 1 March 2014 and 28 February 2015	<u>15,000</u>
Net book value	
At 28 February 2014 and 28 February 2015	<u>15,000</u>

13 Stocks

	2015 £	2014 £
Stocks of fuel	43,156	32,976
Frozen and dry goods for resale	<u>5,041,851</u>	<u>4,457,392</u>
	<u>5,085,007</u>	<u>4,490,368</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... continued

14 Debtors

	2015 £	2014 £
Trade debtors	5,381,839	4,974,554
Amounts owed by group undertakings	1,174,697	-
Other debtors	56,648	47,314
Deferred tax	103,000	164,157
Prepayments and accrued income	421,925	421,718
	<u>7,138,109</u>	<u>5,607,743</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows:

	£
At 1 March 2014	164,157
Deferred tax charged to the profit and loss account	<u>(61,157)</u>
At 28 February 2015	<u>103,000</u>

Analysis of deferred tax

	2015 £	2014 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>103,000</u>	<u>164,157</u>

15 Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	5,246,704	4,533,385
Obligations under finance lease and hire purchase contracts	339,284	344,690
Amounts owed to group undertakings	-	275,995
Corporation tax	385,000	265,738
Other taxes and social security	618,111	596,458
Other creditors	959,961	576,075
Accruals and deferred income	778,347	640,857
	<u>8,327,407</u>	<u>7,233,198</u>

16 Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Obligations under finance lease and hire purchase contracts	<u>265,086</u>	<u>309,290</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... continued

Obligations under finance leases and HP contracts

Amounts repayable:

	2015 £	2014 £
In one year or less on demand	339,284	344,690
Between one and two years	213,612	211,624
Between two and five years	51,474	97,666
	<u>604,370</u>	<u>653,980</u>

Obligations under finance lease and hire purchase contracts are secured on the assets concerned.

17 Share capital

Allotted, called up and fully paid shares

	No.	2015 £	No.	2014 £
Ordinary shares of £1 each	25,000	25,000	25,000	25,000
Deferred shares of £0.01 each	3,500	35	3,500	35
	<u>28,500</u>	<u>25,035</u>	<u>28,500</u>	<u>25,035</u>

18 Dividends

	2015 £	2014 £
Dividends paid		
Ordinary interim dividend paid	690,000	795,525
Deferred dividends paid	15,750	7,000
	<u>705,750</u>	<u>802,525</u>

19 Reserves

	Profit and loss account £
At 1 March 2014	6,526,643
Profit for the year	2,745,487
Dividends	<u>(705,750)</u>
At 28 February 2015	<u>8,566,380</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... *continued*

20 Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Profit attributable to the members of the company	2,745,487	1,421,343
Dividends	(705,750)	(802,525)
Net addition to shareholders' funds	2,039,737	618,818
Shareholders' funds at 1 March	6,551,678	5,932,860
Shareholders' funds at 28 February	8,591,415	6,551,678

21 Pension 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 £251,050 (2014 - £173,503).

Contributions totalling £33,818 (2014 - £33,089) were payable to the scheme at the end of the year and are included in creditors.

22 Contingent liabilities

There are unresolved tax issues relating to prior years. The information usually required by FRS 12 is not disclosed as the directors believe that to do so would seriously prejudice the company's position whilst finalising a settlement agreement.

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

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23 Commitments

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £248,321 (2014 - £171,355).

Operating lease commitments

As at 28 February 2015 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2015	2014
	£	£
Land and buildings		
Within one year	98,000	84,797
Within two and five years	240,000	62,612
Over five years	155,000	678,763
	<u>493,000</u>	<u>826,172</u>
Other		
Within one year	16,359	28,215
Within two and five years	77,008	89,821
Over five years	55,622	11,770
	<u>148,989</u>	<u>129,806</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 28 February 2015

..... continued

24 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

Other related party transactions

During the year the company made the following related party transactions:

Holdsworth Properties

(a partnership comprising two of the directors and members of their close family)

During the year, the company paid rent of £80,000 to Holdsworth Properties (2014 - £80,000). At the balance sheet date the amount due to Holdsworth Properties was £nil (2014 - £nil).

The Holdsworth Executive Pension Scheme

(a pension scheme for certain directors of the company)

During the year, the company paid rent of £94,307 to The Holdsworth Executive Pension Scheme (2014 - £93,394). At the balance sheet date the amount due to The Holdsworth Executive Pension Scheme was £nil (2014 - £nil).

Mr M I Holdsworth

(ultimate controlling party)

Mr M I Holdsworth maintains a loan account with the company. At the balance sheet date the amount due to Mr M I Holdsworth was £860,984 (2014 - £499,291).

25 Control

The company is controlled by its parent undertaking, Holdsworth Holdings Limited, a company incorporated in England and Wales. Copies of the consolidated financial statements of Holdsworth Holdings Limited can be obtained from Companies House.

Ultimate control rests with Mr M I Holdsworth and members of his close family.