

Registration number: 02027459

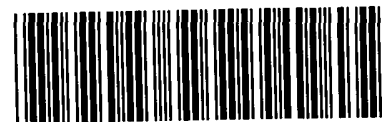
Michael I Holdsworth Limited

Annual Report and Financial Statements

for the Year Ended 29 February 2016



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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 29 February 2016

The directors present their Strategic Report for the year ended 29 February 2016.

Principal activity

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

Fair review of the business

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.

During this financial year, we completed the refurbishment programme at our existing Derbyshire cold store and expanded our fresh meat department. We have made significant improvements to our web site and the feedback has been very welcoming.

We continue to be able to monitor our overhead expenditure and this year we have benefitted from the fuel reductions caused by the drop in the oil price. Our overheads have only increased by 8%.

Our performance this year has been very good and achieved through our continuing re-investment in the business. Our sales are up by 7.6%, our gross profit is up 9.8% and our profit before exceptional items and tax has increased by 20%. These results have been attainable through the completion of our refurbishment programme 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 continue to improve the trading relationship with our suppliers, allowing us to source new products more effectively and we have improved our prompt response to supply any ingredient information to our customers.

We remain active in reducing our carbon footprint and, due to our size, we now qualify for ESOS (Energy Saving opportunity Scheme). The assessment audits the energy used by our buildings, processes and transport to identify cost-effective energy-saving measures. We became fully ESOS compliant in 2015. We have replaced 14% of our vehicles and increased our fleet by 13% as well as replacing 22% of our company cars. We continue to replace office and cold store lighting with LED lights, which have a lower wattage. We continue to promote re-cycling throughout our depots and we are currently trialling a cardboard compactor to investigate further savings.

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 29 February 2016 (continued)

Principal risks and uncertainties

The world's environmental climate and disasters will always have an impact on our business, whether it is 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 against the government's continuing 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, including the forthcoming EU referendum.

Approved by the Board on20/11/16..... and signed on its behalf by:


.....
E V Trevethick
Director

Michael I Holdsworth Limited

Directors' Report for the Year Ended 29 February 2016

The directors present their report and the financial statements for the year ended 29 February 2016.

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

Dividends

Dividends paid during the year amounted to £745,000 (2015 - £705,750).

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 this year we became fully ESOS (Energy Saving Opportunity Scheme) compliant.

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 29 February 2016 (continued)

Future developments

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

Our medium-term strategy is to continue to manage the continuity of business throughout our organisation whilst we further develop our existing sites and improve the facilities at our site in Essex.

Our long-term strategy is to continue to build our business in the South of England. We have more than doubled our storage capacity in Derbyshire, which is allowing us to develop our business both in the north and east 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 ways of storing and distributing food.

Disclosure of information to the auditors

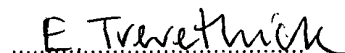
The directors of the company who held office at the date of the approval of this Annual Report as set out above confirm that:

- 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

The auditors, Hawsons Chartered Accountants, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 29/7/16 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 29 February 2016, 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 auditor

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 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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 29 February 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

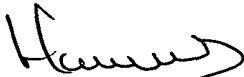
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

Date: 21/7/16

Michael I Holdsworth Limited

Statement of Comprehensive Income for the Year Ended 29 February 2016

	Note	2016 £	2015 £
Turnover	2	80,391,715	74,691,094
Cost of sales		<u>(58,728,214)</u>	<u>(54,957,037)</u>
Gross profit		21,663,501	19,734,057
Distribution costs		(13,712,958)	(12,651,147)
Administrative expenses [including exceptional items of £2,161,765 (2015 - £nil)]	3	(6,137,522)	(3,778,531)
Other operating income		<u>175,537</u>	<u>209,524</u>
Operating profit	4	1,988,558	3,513,903
Income from other fixed asset investments		6,400	110
Other interest receivable and similar income	8	78,112	20,344
Interest payable and similar charges	9	<u>(25,859)</u>	<u>(23,451)</u>
Profit before tax		2,047,211	3,510,906
Taxation	10	<u>(854,788)</u>	<u>(765,419)</u>
Profit for the financial year		<u>1,192,423</u>	<u>2,745,487</u>
Total comprehensive income for the year		<u><u>1,192,423</u></u>	<u><u>2,745,487</u></u>

The above results were derived from continuing operations.

The notes on pages 12 to 23 form an integral part of these financial statements.

Michael I Holdsworth Limited
(Registration number: 02027459)
Balance Sheet as at 29 February 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	11	565,732	709,757
Tangible assets	12	3,260,097	2,530,762
Investments	13	21,400	15,000
		<u>3,847,229</u>	<u>3,255,519</u>
Current assets			
Stocks	14	5,630,167	5,085,007
Debtors	15	6,618,436	7,138,109
Cash at bank and in hand		2,560,115	1,705,273
		<u>14,808,718</u>	<u>13,928,389</u>
Creditors: Amounts falling due within one year	16	<u>(9,009,052)</u>	<u>(8,327,407)</u>
Net current assets		<u>5,799,666</u>	<u>5,600,982</u>
Total assets less current liabilities		9,646,895	8,856,501
Creditors: Amounts falling due after more than one year	16	<u>(608,057)</u>	<u>(265,086)</u>
Net assets		<u>9,038,838</u>	<u>8,591,415</u>
Capital and reserves			
Called up share capital	21	25,035	25,035
Profit and loss account		<u>9,013,803</u>	<u>8,566,380</u>
Shareholders' funds		<u>9,038,838</u>	<u>8,591,415</u>

These financial statements were approved and authorised for issue by the Board on 29/7/16 and signed on its behalf by:


J A Marriott
Director

Michael I Holdsworth Limited

Statement of Changes in Equity for the Year Ended 29 February 2016

	Share capital £	Retained earnings £	Total £
At 1 March 2015	25,035	8,566,380	8,591,415
Profit for the year	-	1,192,423	1,192,423
Total comprehensive income	-	1,192,423	1,192,423
Dividends	-	(745,000)	(745,000)
At 29 February 2016	25,035	9,013,803	9,038,838
	Share capital £	Retained earnings £	Total £
At 1 March 2014	25,035	6,526,643	6,551,678
Profit for the year	-	2,745,487	2,745,487
Total comprehensive income	-	2,745,487	2,745,487
Dividends	-	(705,750)	(705,750)
At 28 February 2015	25,035	8,566,380	8,591,415

The notes on pages 12 to 23 form an integral part of these financial statements.

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 29 February 2016

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

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

The company is a qualifying entity for the purposes of FRS 102 and has therefore taken advantage of the disclosure exemption available in FRS 102 not to prepare a cash flow statement.

Revenue recognition

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

Tax

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

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

Deferred tax shall be recognised in respect of all timing differences at the reporting date, except as otherwise required by FRS102. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. *Unrelieved tax losses and other deferred tax assets shall be 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.*

Tangible assets

Tangible fixed assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The cost of tangible fixed assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, less any estimated residual value, over their estimated useful lives, 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

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 29 February 2016 (continued)

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 assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

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

Stocks

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

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

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

Defined contribution pension obligation

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

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.

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 for the Year Ended 29 February 2016 (continued)

3 Exceptional items

Included within administrative expenses is £2,161,765 (2015 - £nil) paid in settlement of previously unresolved tax issues relating to prior years.

4 Operating profit

Operating profit is stated after charging:

	2016 £	2015 £
Operating leases - plant and machinery	209,696	191,590
Operating leases - other assets	1,022,762	971,457
Profit on disposal of tangible fixed assets	(40,641)	(32,102)
Depreciation of owned assets	643,974	542,599
Depreciation of assets held under hire purchase contracts	352,039	366,442
Amortisation	<u>144,025</u>	<u>144,028</u>

5 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	<u>15,500</u>	<u>15,000</u>
Other fees to auditors		
Tax services	12,050	17,308
Other services	<u>3,575</u>	<u>9,706</u>
	<u>15,625</u>	<u>27,014</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 29 February 2016 (continued)

6 Staff costs

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

	2016 £	2015 £
Wages and salaries	11,428,192	8,426,697
Social security costs	854,732	777,753
Pension costs, defined contribution scheme	341,181	251,050
	<u>12,624,105</u>	<u>9,455,500</u>

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

	2016 No.	2015 No.
Administration	34	33
Distribution and selling	318	303
Management	2	2
	<u>354</u>	<u>338</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration (including benefits in kind)	249,155	239,439
Contributions paid to money purchase schemes	106,170	36,036
	<u>355,325</u>	<u>275,475</u>

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

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

In respect of the highest paid director:

	2016 £	2015 £
Remuneration	159,275	156,299
Company contributions to money purchase pension schemes	94,262	25,223
	<u>253,537</u>	<u>181,522</u>

Michael I Holdsworth Limited

**Notes to the Financial Statements for the Year Ended 29 February 2016
(continued)**

8 Other interest receivable and similar income

	2016 £	2015 £
Bank interest receivable	22,515	20,344
Other finance income	55,597	-
	<u>78,112</u>	<u>20,344</u>

9 Interest payable and similar charges

	2016 £	2015 £
Hire purchase interest	<u>25,859</u>	<u>23,451</u>

10 Income tax

Tax charged/(credited) in the income statement

	2016 £	2015 £
Current taxation		
UK corporation tax	805,000	705,579
UK corporation tax adjustment to prior periods	788	(1,317)
	<u>805,788</u>	<u>704,262</u>
Deferred taxation		
Arising from origination and reversal of timing differences	49,000	61,157
Tax expense in the profit and loss account	<u>854,788</u>	<u>765,419</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 21.17%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	<u>2,047,211</u>	<u>3,510,906</u>
Corporation tax at standard rate	409,442	743,259
Effect of expense not deductible in determining taxable profit	433,669	10,892
Tax increase (decrease) from other short-term timing differences	11,677	11,268
Total tax charge	<u>854,788</u>	<u>765,419</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 29 February 2016 (continued)

Deferred tax

Deferred tax assets and liabilities

	Asset £
2016	
Difference between capital allowances and depreciation	46,000
Unpaid pension contributions	8,000
	<u>54,000</u>

	Asset £
2015	
Difference between capital allowances and depreciation	96,000
Unpaid pension contributions	7,000
	<u>103,000</u>

11 Intangible assets

	Goodwill £
Cost or valuation	
At 1 March 2015 and 29 February 2016	<u>1,755,924</u>
Amortisation	
At 1 March 2015	1,046,167
Amortisation charge	<u>144,025</u>
At 29 February 2016	<u>1,190,192</u>
Carrying amount	
At 29 February 2016	<u>565,732</u>
At 28 February 2015	<u>709,757</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 29 February 2016 (continued)

12 Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 March 2015	96,993	2,634,543	3,631,350	6,362,886
Additions	53,257	227,775	1,459,870	1,740,902
Disposals	-	(44,083)	(517,704)	(561,787)
At 29 February 2016	<u>150,250</u>	<u>2,818,235</u>	<u>4,573,516</u>	<u>7,542,001</u>
Depreciation				
At 1 March 2015	22,608	1,550,932	2,258,584	3,832,124
Charge for the year	10,161	260,721	725,131	996,013
Eliminated on disposal	-	(43,993)	(502,240)	(546,233)
At 29 February 2016	<u>32,769</u>	<u>1,767,660</u>	<u>2,481,475</u>	<u>4,281,904</u>
Net book value				
At 29 February 2016	<u>117,481</u>	<u>1,050,575</u>	<u>2,092,041</u>	<u>3,260,097</u>
At 28 February 2015	<u>74,385</u>	<u>1,083,611</u>	<u>1,372,766</u>	<u>2,530,762</u>

Leased assets

Included within the net book value of tangible fixed assets is £1,566,720 (2015 - £892,302) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £352,039 (2015 - £366,442).

Michael I Holdsworth Limited

**Notes to the Financial Statements for the Year Ended 29 February 2016
(continued)**

13 Investments held as fixed assets

	2016	2015
	£	£
Other investments	<u>21,400</u>	<u>15,000</u>

Other investments

	Unlisted investments £
Cost	
At 1 March 2015	15,000
Revaluation	<u>6,400</u>
At 29 February 2016	<u>21,400</u>
Net book value	
At 29 February 2016	<u>21,400</u>
At 28 February 2015	<u>15,000</u>

14 Stocks

	2016	2015
	£	£
Stocks of fuel	41,509	43,156
Frozen and dry goods for resale	<u>5,588,658</u>	<u>5,041,851</u>
	<u>5,630,167</u>	<u>5,085,007</u>

Michael I Holdsworth Limited

**Notes to the Financial Statements for the Year Ended 29 February 2016
(continued)**

15 Debtors

	2016	2015
	£	£
Trade debtors	5,843,561	5,381,839
Amounts owed from group undertakings	962	1,174,697
Other debtors	196,523	56,648
Prepayments	523,390	421,925
Deferred tax assets	54,000	103,000
	<u>6,618,436</u>	<u>7,138,109</u>

16 Creditors

	2016	2015
	£	£
Due within one year		
Obligations under finance lease and hire purchase contracts	632,697	339,284
Trade creditors	6,121,950	5,246,704
Social security and other taxes	250,687	618,111
Other payables	944,166	959,961
Accrued expenses	604,552	778,347
Corporation tax	455,000	385,000
	<u>9,009,052</u>	<u>8,327,407</u>
Due after one year		
Obligations under finance lease and hire purchase contracts	<u>608,057</u>	<u>265,086</u>

17 Loans and borrowings

	2016	2015
	£	£
Non-current loans and borrowings		
Obligations under finance lease and hire purchase contracts	<u>608,057</u>	<u>265,086</u>
	2016	2015
	£	£
Current loans and borrowings		
Obligations under finance lease and hire purchase contracts	<u>632,697</u>	<u>339,284</u>

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 29 February 2016 (continued)

18 Obligations under leases and hire purchase contracts

Finance leases

The finance leases primarily relate to the commercial vehicle fleet.

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	658,326	355,040
Later than one year and not later than five years	464,212	223,343
Later than five years	166,917	53,943
	<u>1,289,455</u>	<u>632,326</u>

Operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	650,936	637,255
Later than one year and not later than five years	2,068,010	2,117,825
Later than five years	526,328	803,630
	<u>3,245,274</u>	<u>3,558,710</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £1,232,458 (2015 - £1,163,017).

19 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £341,181 (2015 - £251,050).

Contributions totalling £41,883 (2015 - £33,818) were payable to the scheme at the end of the year and are included in creditors.

20 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £215,178 (2015 - £248,321).

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 29 February 2016 (continued)

21 Share capital

Allotted, called up and fully paid shares

		2016		2015
	No.	£	No.	£
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>

The ordinary shares carry no restrictions on the distribution of dividends and the repayment of capital.

The deferred shares carry no voting rights. The holders of such shares are entitled to participate in dividends declared on that class of shares and are entitled to a return of capital of £1 per share in the event of a distribution on the winding up of the company.

22 Dividends

	2016 £	2015 £
Dividends paid		
Ordinary interim dividends paid	729,250	690,000
Deferred dividends paid	<u>15,750</u>	<u>15,750</u>
	<u>745,000</u>	<u>705,750</u>

23 Non adjusting events after the financial period

Since the year end, the company has paid dividends of £633,250.

24 Related party transactions

Summary of transactions with other related parties

The company leases certain of its premises from other related parties.

The company operates a loan account with certain other related parties.

Michael I Holdsworth Limited

Notes to the Financial Statements for the Year Ended 29 February 2016 (continued)

Expenditure with and payables to related parties

	Other related parties £
2016	
Leases	<u>174,612</u>
2015	
Leases	<u>174,307</u>

Loans from related parties

	Other related parties £
2016	
At start of period	860,984
Advanced	432,085
Repaid	<u>(474,424)</u>
At end of period	<u>818,645</u>
2015	
At start of period	499,291
Advanced	559,343
Repaid	<u>(197,650)</u>
At end of period	<u>860,984</u>

The company has taken advantage of the exemption in FRS102 from disclosing transactions with other members of the group.

25 Control

The company's immediate and ultimate parent is Holdsworth Holdings Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is Holdsworth Holdings Limited. These financial statements are available from Companies House.

The ultimate controlling party is Mr M I Holdsworth and members of his close family.

26 Transition to FRS 102

This is the first year that the company has presented its results under FRS102. The last financial statements under previous UK GAAP were for the year ended 28 February 2015. The date of transition to FRS102 was 1 March 2014. The transition to FRS102 did not result in any changes in accounting policies and so there are no differences between the profit for the financial year ended 28 February 2015 and the total equity as at 1 March 2014 and 28 February 2015 under UK GAAP as previously reported and FRS102.