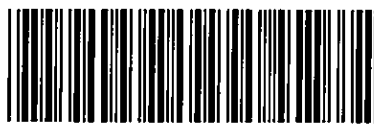


Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 30 June 2016
for
Crediton Milling Holdings Ltd

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Contents of the Consolidated Financial Statements
for the Year Ended 30 June 2016

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Company Information
for the Year Ended 30 June 2016

DIRECTORS:

M J Gulley
A T Power
Mrs S L Power

REGISTERED OFFICE:

128 High Street
Crediton
Devon
EX17 3LQ

REGISTERED NUMBER:

08064713 (England and Wales)

AUDITORS:

Bedford & Co Ltd
Statutory Auditors
128 High Street
Crediton
Devon
EX17 3LQ

Group Strategic Report
for the Year Ended 30 June 2016

The directors present their strategic report of the company and the group for the year ended 30 June 2016

REVIEW OF BUSINESS

The results for the year and the financial position of the group at the year end were considered satisfactory by the directors, particularly, in view of the competitive market and the risks inherent in the current economic climate. The group recorded a turnover figure of £32,353,493 (2015 - £30,641,296) and reported a pre-tax net profit of £1,366,454 (2015 - £1,344,050).

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

PRINCIPAL RISKS AND UNCERTAINTIES

The group manages the liquidity risk by ensuring there are sufficient funds to meet the payments. In respect of trade debtors the group offers credit terms to its customers, subject to assessed limits. There is a general risk that customers will not pay for the products that they have purchased. This risk is managed by group policies concerning the amount of credit offered to customers and then by regular monitoring of amounts outstanding. Trade creditors liquidity risk is managed by ensuring there are sufficient funds are available to meet the amounts due.

The group is also subject to raw material price increases with the risk that profit margins could be materially affected when these increases cannot be passed on to customers. The group will periodically take advantage of buying opportunities in order manage this risk.

There is an overall risk associated with the uncertainty which exists within certain sectors of the farming industry in which the group operates.

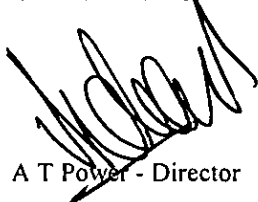
FINANCIAL INSTRUMENTS

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

FUTURE DEVELOPMENTS

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

ON BEHALF OF THE BOARD:



A T Power - Director

28 February 2017

Report of the Directors
for the Year Ended 30 June 2016

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2016

PRINCIPAL ACTIVITY

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

DIVIDENDS

An interim dividend of £23 10 per share was paid. The directors recommend that no final dividend be paid

The total distribution of dividends for the year ended 30 June 2016 will be £693,000

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2015 to the date of this report

M J Gulley
A T Power
Mrs S L Power

DISCLOSURE IN THE STRATEGIC REPORT

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

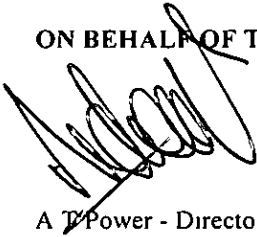
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information

Report of the Directors
for the Year Ended 30 June 2016

AUDITORS

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A T Power', is written over the text 'ON BEHALF OF THE BOARD:'.

A T Power - Director

28 February 2017

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

We have audited the financial statements of Crediton Milling Holdings Ltd for the year ended 30 June 2016 on pages seven to twenty eight. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 group's and the parent 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 Group Strategic Report and the Report of the Directors 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 group's and of the parent company's affairs as at 30 June 2016 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

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

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

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

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28 February 2017

Consolidated Statement of Comprehensive Income
for the Year Ended 30 June 2016

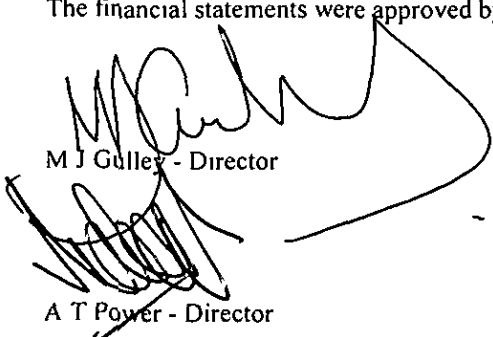
	Notes	30.6.16 £	£	30.6.15 £	£
TURNOVER			32,353,493		30,641,296
Cost of sales			<u>23,778,690</u>		<u>22,835,297</u>
GROSS PROFIT			8,574,803		7,805,999
Distribution costs		4,567,368		4,224,415	
Administrative expenses		<u>2,670,374</u>		<u>2,268,729</u>	
			<u>7,237,742</u>		<u>6,493,144</u>
			1,337,061		1,312,855
Other operating income			<u>34,674</u>		<u>33,012</u>
OPERATING PROFIT	4		1,371,735		1,345,867
Interest receivable and similar income			<u>6,889</u>		<u>12,659</u>
			1,378,624		1,358,526
Interest payable and similar charges	5		<u>12,170</u>		<u>14,476</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,366,454		1,344,050
Tax on profit on ordinary activities	6		<u>279,607</u>		<u>285,737</u>
PROFIT FOR THE FINANCIAL YEAR			1,086,847		1,058,313
OTHER COMPREHENSIVE INCOME			<u>-</u>		<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			<u><u>1,086,847</u></u>		<u><u>1,058,313</u></u>
Profit attributable to Owners of the parent			<u><u>1,086,847</u></u>		<u><u>1,058,313</u></u>
Total comprehensive income attributable to Owners of the parent			<u><u>1,086,847</u></u>		<u><u>1,058,313</u></u>

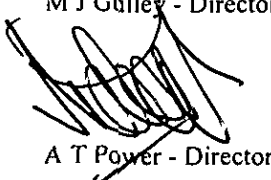
The notes form part of these financial statements

Consolidated Balance Sheet
30 June 2016

	Notes	30.6.16 £	£	30.6.15 £	£
FIXED ASSETS					
Tangible assets	9		2,413,046		2,279,742
Investments	10		-		-
Investment property	11		<u>317,953</u>		<u>317,953</u>
			2,730,999		2,597,695
CURRENT ASSETS					
Stocks	12	554,887		482,137	
Debtors	13	3,538,673		3,224,194	
Cash at bank and in hand		<u>1,560,669</u>		<u>1,682,041</u>	
		5,654,229		5,388,372	
CREDITORS					
Amounts falling due within one year	14	<u>3,675,792</u>		<u>3,546,842</u>	
NET CURRENT ASSETS			<u>1,978,437</u>		<u>1,841,530</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,709,436		4,439,225
CREDITORS					
Amounts falling due after more than one year	15		(29,479)		(172,840)
PROVISIONS FOR LIABILITIES	20		<u>(138,176)</u>		<u>(118,451)</u>
NET ASSETS			<u>4,541,781</u>		<u>4,147,934</u>
CAPITAL AND RESERVES					
Called up share capital	21		30,000		30,000
Capital redemption reserve	22		19,500		19,500
Other reserves	22		17,632		17,632
Retained earnings	22		<u>4,474,649</u>		<u>4,080,802</u>
SHAREHOLDERS' FUNDS			<u>4,541,781</u>		<u>4,147,934</u>

The financial statements were approved by the Board of Directors on 28 February 2017 and were signed on its behalf by.


M J Gulley - Director

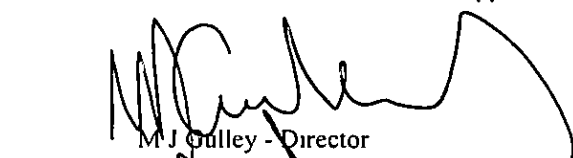

A T Power - Director

The notes form part of these financial statements

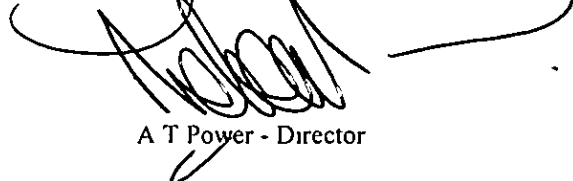
Company Balance Sheet
30 June 2016

	Notes	30.6.16	30.6.15
		£	£
FIXED ASSETS			
Tangible assets	9	2,103,346	2,116,004
Investments	10	29,700	29,700
Investment property	11	<u>317,953</u>	<u>317,953</u>
		2,450,999	2,463,657
CURRENT ASSETS			
Debtors	13	216,560	8,280
Cash in hand		<u>300</u>	<u>300</u>
		216,860	8,580
CREDITORS			
Amounts falling due within one year	14	<u>13,481</u>	<u>7,892</u>
NET CURRENT ASSETS		<u>203,379</u>	<u>688</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>2,654,378</u></u>	<u><u>2,464,345</u></u>
CAPITAL AND RESERVES			
Called up share capital	21	30,000	30,000
Retained earnings	22	<u>2,624,378</u>	<u>2,434,345</u>
SHAREHOLDERS' FUNDS		<u><u>2,654,378</u></u>	<u><u>2,464,345</u></u>

The financial statements were approved by the Board of Directors on 28 February 2017 and were signed on its behalf by:



M J Gully - Director



A T Power - Director

Consolidated Statement of Changes in Equity
for the Year Ended 30 June 2016

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Other reserves £	Total equity £
Balance at 1 July 2014	30,000	3,413,718	19,500	17,632	3,480,850
Changes in equity					
Dividends	-	(391,229)	-	-	(391,229)
Total comprehensive income	-	1,058,313	-	-	1,058,313
Balance at 30 June 2015	<u>30,000</u>	<u>4,080,802</u>	<u>19,500</u>	<u>17,632</u>	<u>4,147,934</u>
Changes in equity					
Dividends	-	(693,000)	-	-	(693,000)
Total comprehensive income	-	1,086,847	-	-	1,086,847
Balance at 30 June 2016	<u>30,000</u>	<u>4,474,649</u>	<u>19,500</u>	<u>17,632</u>	<u>4,541,781</u>

Company Statement of Changes in Equity
for the Year Ended 30 June 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2014	30,000	1,904,053	1,934,053
Changes in equity			
Dividends	-	(391,229)	(391,229)
Total comprehensive income	-	921,521	921,521
Balance at 30 June 2015	<u>30,000</u>	<u>2,434,345</u>	<u>2,464,345</u>
Changes in equity			
Dividends	-	(693,000)	(693,000)
Total comprehensive income	-	883,033	883,033
Balance at 30 June 2016	<u>30,000</u>	<u>2,624,378</u>	<u>2,654,378</u>

Crediton Milling Holdings Ltd**Consolidated Cash Flow Statement
for the Year Ended 30 June 2016**

	Notes	30.6.16 £	30.6.15 £
Cash flows from operating activities			
Cash generated from operations	1	1,470,735	1,115,470
Interest paid		(4,015)	(5,223)
Interest element of hire purchase payments paid		(8,155)	(9,253)
Tax paid		<u>(223,980)</u>	<u>(277,185)</u>
Net cash from operating activities		<u>1,234,585</u>	<u>823,809</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(502,646)	(545,880)
Sale of tangible fixed assets		11,400	29,005
Interest received		<u>6,889</u>	<u>12,659</u>
Net cash from investing activities		<u>(484,357)</u>	<u>(504,216)</u>
Cash flows from financing activities			
Bank loans repaid in the year		(99,152)	(24,828)
Amount introduced by directors		1,159	-
Amount withdrawn by directors		-	(3,180)
Hire purchase and finance lease advance		71,434	240,304
Hire purchase and finance lease repaid		(152,041)	(141,704)
Equity dividends paid		<u>(693,000)</u>	<u>(391,229)</u>
Net cash from financing activities		<u>(871,600)</u>	<u>(320,637)</u>
Decrease in cash and cash equivalents			
		(121,372)	(1,044)
Cash and cash equivalents at beginning of year	2	1,682,041	1,683,085
Cash and cash equivalents at end of year	2	<u>1,560,669</u>	<u>1,682,041</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 June 2016

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

	30 6 16	30.6 15
	£	£
Profit before taxation	1,366,454	1,344,050
Depreciation charges	343,658	305,316
Loss on disposal of fixed assets	14,284	3,595
Finance costs	12,170	14,476
Finance income	(6,889)	(12,659)
	<u>1,729,677</u>	<u>1,654,778</u>
Increase in stocks	(72,750)	(79,701)
Increase in trade and other debtors	(314,479)	(303,328)
Increase/(decrease) in trade and other creditors	<u>128,287</u>	<u>(156,279)</u>
Cash generated from operations	<u>1,470,735</u>	<u>1,115,470</u>

2 CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2016

	30 6 16	1.7.15
	£	£
Cash and cash equivalents	<u>1,560,669</u>	<u>1,682,041</u>

Year ended 30 June 2015

	30.6 15	1.7 14
	£	£
Cash and cash equivalents	<u>1,682,041</u>	<u>1,683,085</u>

Notes to the Consolidated Financial Statements
for the Year Ended 30 June 2016

1 COMPANY INFORMATION

Crediton Milling Holdings Ltd is a company limited by shares, incorporated in England and Wales. Its registered office is Fordton Mill, Fordton, Crediton, Devon, EX17 3DH.

2 ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentation currency is £ sterling.

This is the first year in which the financial statements have been prepared under FRS 102. The date of transition is 1 July 2014.

There have been no changes in accounting policies following the transition to FRS 102. The impact of the transition on opening equity and profit for the comparative period is outlined on pages 26 to 28.

Basis of consolidation

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

Related party exemption

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

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

Significant judgements and estimates

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

Income recognition

Turnover is measured at the fair value of the consideration received or receivable from the sale of goods, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised when goods are delivered to customers such that risks and rewards of ownership have been transferred to them.

Tangible fixed assets

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

Land - not provided

Freehold buildings - 2% on cost

Plant and machinery - 25% reducing balance

Weighbridge - 25% reducing balance

Motor vehicles - 25% reducing balance

Computer and office equipment - 25% reducing balance

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

2 ACCOUNTING POLICIES - continued

Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation, which are initially measured at cost, including transaction costs. Subsequently investment properties whose fair value can be measured reliably without undue cost or effort on an on-going basis are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

Investment properties whose fair value cannot be measured reliably without undue cost or effort on an on-going basis are included in tangible fixed assets at cost less accumulated depreciation and accumulated impairment losses.

Stocks

Stocks have been valued at the lower of cost and estimated selling price less costs to complete and sell.

Cost is calculated on a first in first out basis.

In respect of finished goods, cost includes a relevant proportion of overheads according to the stage of manufacture/completion.

Deferred tax

Deferred tax is provided on the liability method and recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profit as computed for taxation purposes and profit as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Leasing

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Tangible fixed assets acquired under hire purchase contracts or finance leases are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

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

Pension costs and employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account in the period in which they are incurred.

Other short term employee benefits are also recognised as an expense in the period in which they are incurred.

Financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from banks.

Trade debtors, creditors and other accounts receivable and payable are recognised at transaction price. Amounts receivable or payable within one year continue to be measured, after their initial recognition, at the undiscounted amount of cash or other consideration expected to be received or paid.

Loans which bear a market rate of interest are also recognised at transaction price which is the amount received. These loans, after initial recognition, are measured at amortised cost using the effective rate method.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016**

3 STAFF COSTS

	30.6.16	30.6.15
	£	£
Wages and salaries	1,866,144	1,669,188
Social security costs	191,875	173,624
Other pension costs	<u>165,339</u>	<u>11,288</u>
	<u><u>2,223,358</u></u>	<u><u>1,854,100</u></u>

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

	30.6.16	30.6.15
Management and administration	7	7
Mill and transport	31	30
Sales	<u>15</u>	<u>11</u>
	<u><u>53</u></u>	<u><u>48</u></u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	30.6.16	30.6.15
	£	£
Other operating leases	-	4,000
Depreciation - owned assets	343,658	305,316
Loss on disposal of fixed assets	14,284	3,595
Auditors' remuneration	<u>10,465</u>	<u>10,655</u>
Directors' remuneration	380,932	369,056
Directors' pension contributions to money purchase schemes	<u>155,862</u>	<u>5,080</u>

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

Money purchase schemes	<u>4</u>	<u>3</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows

	30.6.16	30.6.15
	£	£
Emoluments etc	101,099	87,717
Pension contributions to money purchase schemes	<u>-</u>	<u>2,400</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	30.6.16	30.6.15
	£	£
Bank interest	1,983	2,060
Bank loan interest	2,032	3,163
Hire purchase	<u>8,155</u>	<u>9,253</u>
	<u><u>12,170</u></u>	<u><u>14,476</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	30.6.16 £	30.6.15 £
Current tax		
UK corporation tax	259,882	223,980
Deferred tax	<u>19,725</u>	<u>61,757</u>
Tax on profit on ordinary activities	<u>279,607</u>	<u>285,737</u>

UK corporation tax has been charged at 20% (2015 - 20.75%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.16 £	30.6.15 £
Profit on ordinary activities before tax	<u>1,366,454</u>	<u>1,344,050</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.75%)	273,291	278,890
Effects of:		
Expenses not deductible for tax purposes	8,066	8,629
Capital allowances in excess of depreciation	(24,007)	(66,166)
Depreciation on non qualifying assets	<u>2,532</u>	<u>2,627</u>
Total tax charge	<u>259,882</u>	<u>223,980</u>

7 PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £883,033 (2015 - £921,521)

8. DIVIDENDS

	30.6.16 £	30.6.15 £
Ordinary shares of £1 each		
Interim	<u>693,000</u>	<u>391,229</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

9 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Plant and machinery £	Weighbridge £
COST			
At 1 July 2015	1,274,445	2,851,898	55,610
Additions	-	408,519	-
At 30 June 2016	<u>1,274,445</u>	<u>3,260,417</u>	<u>55,610</u>
DEPRECIATION			
At 1 July 2015	79,266	2,325,440	47,298
Charge for year	12,658	190,190	2,078
Eliminated on disposal	-	-	-
At 30 June 2016	<u>91,924</u>	<u>2,515,630</u>	<u>49,376</u>
NET BOOK VALUE			
At 30 June 2016	<u>1,182,521</u>	<u>744,787</u>	<u>6,234</u>
At 30 June 2015	<u>1,195,179</u>	<u>526,458</u>	<u>8,312</u>
	Motor vehicles £	Computer and office equipment £	Totals £
COST			
At 1 July 2015	1,356,609	76,823	5,615,385
Additions	89,654	4,473	502,646
Disposals	(77,190)	-	(77,190)
At 30 June 2016	<u>1,369,073</u>	<u>81,296</u>	<u>6,040,841</u>
DEPRECIATION			
At 1 July 2015	808,885	74,754	3,335,643
Charge for year	137,934	798	343,658
Eliminated on disposal	(51,506)	-	(51,506)
At 30 June 2016	<u>895,313</u>	<u>75,552</u>	<u>3,627,795</u>
NET BOOK VALUE			
At 30 June 2016	<u>473,760</u>	<u>5,744</u>	<u>2,413,046</u>
At 30 June 2015	<u>547,724</u>	<u>2,069</u>	<u>2,279,742</u>

Included in cost of land and buildings is freehold land of £641,546 (2015 - £641,546) which is not depreciated

Included in the above figures are assets under hire purchase and finance lease agreements with a net book value of £277,605 (2015 - £305,796). The depreciation charged on these assets during the year was £75,715 (2015 - £33,067)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

9 TANGIBLE FIXED ASSETS - continued

Company

	Freehold land and buildings £
COST	
At 1 July 2015 and 30 June 2016	<u>2,153,978</u>
DEPRECIATION	
At 1 July 2015	37,974
Charge for year	<u>12,658</u>
At 30 June 2016	<u>50,632</u>
NET BOOK VALUE	
At 30 June 2016	<u>2,103,346</u>
At 30 June 2015	<u>2,116,004</u>

Included in cost of land and buildings is freehold land of £744,561 (2015 - £744,561) which is not depreciated

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 July 2015 and 30 June 2016	<u>29,700</u>
NET BOOK VALUE	
At 30 June 2016	<u>29,700</u>
At 30 June 2015	<u>29,700</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Crediton Milling Company Ltd

Nature of business. Manufacture and merchandising of animal feedstuffs

	%		
Class of shares:	holding		
Ordinary	100 00		
		30.6.16	30.6.15
		£	£
Aggregate capital and reserves		2,837,928	2,634,114
Profit for the year		<u>1,082,019</u>	<u>1,056,577</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016**

11 INVESTMENT PROPERTY

Group		Total £
FAIR VALUE		
At 1 July 2015		
and 30 June 2016		<u>317,953</u>
NET BOOK VALUE		
At 30 June 2016		<u>317,953</u>
At 30 June 2015		<u>317,953</u>
 Company		
		Total £
FAIR VALUE		
At 1 July 2015		
and 30 June 2016		<u>317,953</u>
NET BOOK VALUE		
At 30 June 2016		<u>317,953</u>
At 30 June 2015		<u>317,953</u>

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

12 STOCKS

	Group	
	30.6.16	30.6.15
	£	£
Raw materials and consumables	312,316	290,794
Finished goods and goods for re-sale	<u>242,571</u>	<u>191,343</u>
	<u>554,887</u>	<u>482,137</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.16	30.6.15	30.6.16	30.6.15
	£	£	£	£
Trade debtors	3,302,368	3,088,703	16,560	8,280
Amounts owed from group undertakings	-	-	200,000	-
Other debtors	91,035	66,527	-	-
Prepayments	<u>145,270</u>	<u>68,964</u>	-	-
	<u>3,538,673</u>	<u>3,224,194</u>	<u>216,560</u>	<u>8,280</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.6.16	30.6.15	30.6.16	30.6.15
	£	£	£	£
Bank loans and overdrafts (see note 16)	-	25,576	-	-
Hire purchase contracts (see note 17)	142,480	153,302	-	-
Trade creditors	3,166,336	3,030,558	-	-
Tax	259,882	223,980	4,371	4,292
Social security and other taxes	76,370	71,592	-	-
Other creditors	1,837	3,712	1,837	-
Directors' current accounts	3,673	2,514	3,673	-
Accrued expenses	<u>25,214</u>	<u>35,608</u>	<u>3,600</u>	<u>3,600</u>
	<u><u>3,675,792</u></u>	<u><u>3,546,842</u></u>	<u><u>13,481</u></u>	<u><u>7,892</u></u>

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

	Group	
	30.6.16	30.6.15
	£	£
Bank loans (see note 16)	-	73,576
Hire purchase contracts (see note 17)	<u>29,479</u>	<u>99,264</u>
	<u><u>29,479</u></u>	<u><u>172,840</u></u>

16 LOANS

An analysis of the maturity of loans is given below

	Group	
	30.6.16	30.6.15
	£	£
Amounts falling due within one year or on demand		
Bank loans	<u><u>-</u></u>	<u><u>25,576</u></u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u><u>-</u></u>	<u><u>26,280</u></u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	<u><u>-</u></u>	<u><u>47,296</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts 30.6.16	30.6.15
	£	£
Gross obligations repayable:		
Within one year	147,947	159,797
Between one and five years	<u>30,742</u>	<u>102,868</u>
	<u>178,689</u>	<u>262,665</u>
 Finance charges repayable		
Within one year	5,467	6,495
Between one and five years	<u>1,263</u>	<u>3,604</u>
	<u>6,730</u>	<u>10,099</u>
 Net obligations repayable		
Within one year	142,480	153,302
Between one and five years	<u>29,479</u>	<u>99,264</u>
	<u>171,959</u>	<u>252,566</u>

18 SECURED DEBTS

The following secured debts are included within creditors

	Group	
	30.6.16	30.6.15
	£	£
Bank loans	-	99,152
Hire purchase contracts	<u>171,959</u>	<u>252,566</u>
	<u>171,959</u>	<u>351,718</u>

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

The hire purchase contracts are secured against various tangible fixed assets.

19 FINANCIAL INSTRUMENTS

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

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

20. PROVISIONS FOR LIABILITIES

	Group	
	30.6.16	30.6.15
	£	£
Deferred tax		
Balance brought forward	118,451	56,694
Accelerated capital allowances	<u>19,725</u>	<u>61,757</u>
	<u><u>138,176</u></u>	<u><u>118,451</u></u>

Group

	Deferred tax £
Balance at 1 July 2015	118,451
Credit to Statement of Comprehensive Income during year	<u>19,725</u>
Balance at 30 June 2016	<u><u>138,176</u></u>

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

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class.	Nominal value £1	30.6.16 £	30.6.15 £
30,000	Ordinary		<u><u>30,000</u></u>	<u><u>30,000</u></u>

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

22. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Other reserves £	Totals £
At 1 July 2015	4,080,802	19,500	17,632	4,117,934
Profit for the year	1,086,847			1,086,847
Dividends	<u>(693,000)</u>			<u>(693,000)</u>
At 30 June 2016	<u><u>4,474,649</u></u>	<u><u>19,500</u></u>	<u><u>17,632</u></u>	<u><u>4,511,781</u></u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 June 2016

22 RESERVES - continued

Company

	Retained earnings £
At 1 July 2015	2,434,345
Profit for the year	883,033
Dividends	<u>(693,000)</u>
At 30 June 2016	<u><u>2,624,378</u></u>

23 CAPITAL COMMITMENTS

	30.6.16 £	30.6.15 £
Contracted but not provided for in the financial statements	<u>225,000</u>	<u>-</u>

The commitment related to the purchase of tangible fixed assets.

24. RELATED PARTY DISCLOSURES

Group

Included in 'Creditors: Amounts falling due within one year' are sums owing to the following

Mr M J Gulley - nil (2015 - £2,514)

Mrs S L Power - nil (2015 - £3,712)

During the year the group was supplied with haulage services amounting to £322,213 (2015 - £239,425) on normal commercial terms by CMC Logistics (South West) Ltd, a company in which the director Mr M J Gulley has a material interest. Included in 'Creditors: Amounts falling due within one year' is the sum of £9,237 (2015 - nil) owed to this company. Included in 'Debtors: Amounts falling due within one year' is the sum of £33,781 (2015 - £26,514) owed by this company in respect of goods and services supplied.

During the year the group received rent amounting to £9,600 (2015 - £9,600) on arms length terms from Mrs P A Gulley, a director of the subsidiary.

During the year the group was supplied with services amounting to £49,829 (2015 - £49,829) from Winkworth Associates Ltd, a company in which a close family member of Mrs P A Gulley has a material interest.

Company

Included in 'Creditors: Amounts falling due within one year' are sums owing to the following:

Mr M J Gulley - £1,837 (2015 - nil)

Mrs S L Power - £1,837 (2015 - nil)

Mr S J Gulley - £1,837 (2015 - nil)

During the year an interim dividend was voted and paid as follows:

Mr M J Gulley - £231,000

Mrs S L Power - £231,000

Mr S J Gulley - £231,000

25 ULTIMATE CONTROLLING PARTY

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

Reconciliation of Equity
1 July 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		2,071,778	-	2,071,778
Investment property		<u>317,953</u>	<u>-</u>	<u>317,953</u>
		<u>2,389,731</u>	<u>-</u>	<u>2,389,731</u>
CURRENT ASSETS				
Stocks		402,436	-	402,436
Debtors		2,920,866	-	2,920,866
Cash at bank and in hand		<u>1,683,085</u>	<u>-</u>	<u>1,683,085</u>
		<u>5,006,387</u>	<u>-</u>	<u>5,006,387</u>
CREDITORS				
Amounts falling due within one year		<u>(3,726,338)</u>	<u>-</u>	<u>(3,726,338)</u>
NET CURRENT ASSETS		<u>1,280,049</u>	<u>-</u>	<u>1,280,049</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,669,780	-	3,669,780
CREDITORS				
Amounts falling due after more than one year		(132,236)	-	(132,236)
PROVISIONS FOR LIABILITIES		<u>(56,694)</u>	<u>-</u>	<u>(56,694)</u>
NET ASSETS		<u><u>3,480,850</u></u>	<u><u>-</u></u>	<u><u>3,480,850</u></u>
CAPITAL AND RESERVES				
Called up share capital		30,000	-	30,000
Capital redemption reserve		19,500	-	19,500
Other reserves		17,632	-	17,632
Retained earnings		<u>3,413,718</u>	<u>-</u>	<u>3,413,718</u>
SHAREHOLDERS' FUNDS		<u><u>3,480,850</u></u>	<u><u>-</u></u>	<u><u>3,480,850</u></u>

Reconciliation of Equity - continued
30 June 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		2,279,742	-	2,279,742
Investment property		<u>317,953</u>	<u>-</u>	<u>317,953</u>
		<u>2,597,695</u>	<u>-</u>	<u>2,597,695</u>
CURRENT ASSETS				
Stocks		482,137	-	482,137
Debtors		3,224,194	-	3,224,194
Cash at bank and in hand		<u>1,682,041</u>	<u>-</u>	<u>1,682,041</u>
		<u>5,388,372</u>	<u>-</u>	<u>5,388,372</u>
CREDITORS				
Amounts falling due within one year		<u>(3,546,842)</u>	<u>-</u>	<u>(3,546,842)</u>
NET CURRENT ASSETS		<u>1,841,530</u>	<u>-</u>	<u>1,841,530</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,439,225	-	4,439,225
CREDITORS				
Amounts falling due after more than one year		(172,840)	-	(172,840)
PROVISIONS FOR LIABILITIES		<u>(118,451)</u>	<u>-</u>	<u>(118,451)</u>
NET ASSETS		<u><u>4,147,934</u></u>	<u><u>-</u></u>	<u><u>4,147,934</u></u>
CAPITAL AND RESERVES				
Called up share capital		30,000	-	30,000
Capital redemption reserve		19,500	-	19,500
Other reserves		17,632	-	17,632
Retained earnings		<u>4,080,802</u>	<u>-</u>	<u>4,080,802</u>
SHAREHOLDERS' FUNDS		<u><u>4,147,934</u></u>	<u><u>-</u></u>	<u><u>4,147,934</u></u>

Reconciliation of Profit
for the Year Ended 30 June 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	30,641,296	-	30,641,296
Cost of sales	<u>(22,835,297)</u>	-	<u>(22,835,297)</u>
GROSS PROFIT	7,805,999	-	7,805,999
Distribution costs	(4,224,415)	-	(4,224,415)
Administrative expenses	(2,268,729)	-	(2,268,729)
Other operating income	<u>33,012</u>	-	<u>33,012</u>
OPERATING PROFIT	1,345,867	-	1,345,867
Interest receivable and similar income	12,659	-	12,659
Interest payable and similar charges	<u>(14,476)</u>	-	<u>(14,476)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1,344,050	-	1,344,050
Tax on profit on ordinary activities	<u>(285,737)</u>	-	<u>(285,737)</u>
PROFIT FOR THE FINANCIAL YEAR	<u>1,058,313</u>	-	<u>1,058,313</u>
Profit attributable to: Owners of the parent			<u>1,058,313</u>