

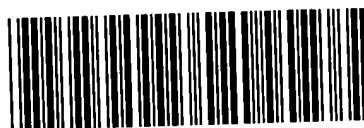
Registered number: 00480341

CARR'S FLOUR MILLS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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COMPANIES HOUSE

CARR'S FLOUR MILLS LIMITED

COMPANY INFORMATION

Directors	R W Butler M D George R H Munro G Wishart A W Burns
Company secretary	S L Large
Registered number	00480341
Registered office	Victoria Mills London Road Wellingborough Northamptonshire NN8 2DT
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Victoria House 199 Avebury Boulevard Milton Keynes MK9 1AU

CARR'S FLOUR MILLS LIMITED

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CARR'S FLOUR MILLS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Introduction

The directors present their strategic report for the Company for the year ended 31 March 2021. The principal activity of the Company continued to be that of procurement of wheat and milling of flour.

Business review

As presented in the Company's statement of comprehensive income on page 12 the results of the Company show a profit on ordinary activities before taxation of £2.3m (2020: £2.2m) and turnover of £95.6m (2020: £95.0m).

Gross margins increased by 1.2% due to sales mix.

We continue to strengthen ties with a number of important customers. This is underpinned by consistency of product, high levels of customer service and good commercial relationships.

Principal risks and uncertainties

The Company's operations expose it to a variety of commercial and financial risks. The commercial risks include food safety compliance, customer relationship management, demand forecasting and competitor pressure. The financial risks include price risk and credit risk. Given the structure of the Company, the directors have not delegated the responsibility of monitoring financial risks management to a sub-committee of the board.

The policies, which are set by the board of directors and implemented by the Company's senior management team, are as follows:

Commercial risks

Competitor pressure within the flour milling market is a continuing risk for the Company. The Company manages this risk by continuing to encourage investment in capital, production processes, quality and service.

The Company maintains a balanced portfolio of customers and products. This ensures that exposure to fluctuations in the performance of specific sub-sectors can be reduced. The Company employs a team approach to its relationships with its customers, which reduces reliance on a specific individual.

The Company actively monitors market trends and these are incorporated into the detailed commercial plans of the business. The detailed plans are then used as the basis for commodity purchasing, asset utilisation and staffing plans.

The Company also actively monitors its performance against health and safety and food safety provisions. Food safety risk is mitigated by food standards audits, purchasing policies and quality control procedures.

CARR'S FLOUR MILLS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Principal risks and uncertainties (continued)

Price risk

The Company is exposed to commodity price risk as a result of its operations. Wheat and other raw materials are purchased in advance to ensure continuity of supply and to give certainty of pricing using forward contracts. Detailed reporting of forward wheat and other raw material purchases are made to the board of the Company each month. The directors keep the appropriateness of commodity purchasing policies under review, particularly if there are changes to the size or nature of the Company's operations or structural changes to the commodity markets.

Credit risk

The Company has implemented policies that require appropriate credit checks on potential customers prior to sales. The debtors ledger is reviewed on a continual basis to identify and highlight overdue debts. Provisions for bad debts are made where appropriate. The Company also purchases credit insurance to mitigate this risk.

At the present time the principle risk to the business is the threat of Covid-19 variants.

Covid-19

The Company has taken a number of measures to monitor and prevent the effects of the Covid-19 virus within the business, including health and safety measures for our people (such as social distancing, installation of screens, appropriate PPE, and homeworking) and securing the supply of materials essential to our production process.

One year after the outbreak of the pandemic the impact on business and results is limited but ongoing. Consumer demand has led to volume fluctuations between customer categories but with little overall effect on our trading performance. The Company does not believe that the impact of the Covid-19 virus will have a material effect on the financial condition or liquidity of the business, but management will continue to monitor and assess the ongoing developments and respond accordingly.

The Company remains closely aligned with the UK flour milling industry's trade body (UK Flour Millers) and benefits from their direct engagement with government on an ongoing basis.

Financial key performance indicators

The financial Key Performance Indicators ("KPI's") for the Company as disclosed in the statement of comprehensive income on page 12 are gross profit of £12.5m (2020: £12.8m) and PBT of £2.3m (2020: £2.2m).

Other financial KPI's of the Company measure sales volumes, gross profit margin, cost per tonne and cash generation. Non-financial KPI's focus on the extent to which service level aspirations are met, using various measures of product quality and performance whilst also monitoring levels of complete and on-time deliveries.

CARR'S FLOUR MILLS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Section 172 Statement

The Directors understand the business and the evolving environment in which we operate, including the challenges of navigating through the effects of Covid-19 as outlined under "principal risks and uncertainties" found in the Strategic Report. The strategy set by the Board is intended to strengthen our position as a UK Flour Milling Company recognising the changing requirements of our stakeholders on whom the long-term success of our business is dependent.

The Directors recognise that Carr's employees are fundamental to our business and the delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment. The Directors factor and communicate the implications of decisions on employees where relevant and feasible.

Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers, and government bodies. The Board continually assess the priorities related to customers and engages with them to ensure the relevance of our business strategy and investment policies. We monitor our suppliers to ensure our product and service supply is maintained to our documented standard whilst also adhering to the required payment practices.

The Directors continually assess the impact of the Company's operations on the community and the environment through reviewing our working practices and monitoring and measuring our emissions from energy, fuel, and electricity usage. We continually review our operations to ensure the most modern environmentally efficient machinery and practices are in place and control of fuel emissions through using up to date environmentally regulated transport and extensive employee training. Our investment programmes include environmentally focused projects.

The Board periodically reviews and approves its code of conduct, ethics and compliance policies, and Modern Slavery Statements to ensure that high standards are maintained within the Carr's business and the business relationships we maintain. This, complemented by the ways the Board monitors compliance with relevant governance standards, assures Carr's acts in ways that promote high standards of business conduct.

The Directors consider which course of action best enables delivery of our strategy through the long term, taking into consideration the impact on stakeholders. In doing so our Directors act fairly between members of the Company.

This report was approved by the board and signed on its behalf.



R W Butler
Chairman

Date: 6 July 2021

CARR'S FLOUR MILLS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Results and dividends

The profit for the period, after taxation, amounted to £1.9m (2020: £1.6m).

The directors do not recommend payment of a dividend (2020: £Nil).

Directors

The directors who served during the year were:

R W Butler
M D George
R H Munro
G Wishart
A W Burns

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Matters covered in the strategic report

The business review and principal risk and uncertainties sections are not included in the Directors report as, under S414C(11), they have instead been included in the Strategic report.

CARR'S FLOUR MILLS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Environmental matters

The Company is committed to a policy which recognises environmental issues in all aspects of its business. Responsibility for compliance with environmental best practice is vested in the directors and environmentally sensitive options are integrated into the Company's business at all levels of operation.

Employee involvement

Consultation with employees or their representatives, where not commercially sensitive, occurs at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial economic performance of their business units and of the Company as a whole.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and appropriate training arranged. It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Future developments

The Company manufactures a wide range of flours in some of the most technically advanced mills in the world, ensuring the highest levels of food safety and brand protection for its customers. The Company has built its reputation as a world class miller and market leader through significant and sustained capital investment, and this will continue to be the case moving forwards as the Company continues to develop and improve its milling capacity and facilities.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors 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 auditor is aware of that information.

CARR'S FLOUR MILLS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


R W Butler
Chairman

Date: 6 July 2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARR'S FLOUR MILLS LIMITED

Opinion

We have audited the financial statements of Carr's Flour Mills Limited (the 'Company') for the year ended 31 March 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARR'S FLOUR MILLS LIMITED
(CONTINUED)**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARR'S FLOUR MILLS LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARR'S FLOUR MILLS LIMITED
(CONTINUED)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and Companies Act 2006) and the relevant tax compliance regulations in the jurisdictions in which the Company operates.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We enquired of management and those charged with governance, concerning the Company's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations; and
 - the detection and response to the risks of fraud.
- We enquired of management and those charged with governance, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated the results of our enquires to relevant supporting documentation.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur and the risk of management override of controls. Audit procedures performed by the engagement team included:
 - evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
 - identifying and testing related party transactions.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates;
 - understanding of the legal and regulatory requirements specific to the Company including:
 - the provisions of the applicable legislation;
 - the regulators' rules and related guidance, including guidance issued by relevant authorities that



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARR'S FLOUR MILLS LIMITED
(CONTINUED)

- interprets those rules;
 - the applicable statutory provisions.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the Company's operations, including the nature of its revenue sources and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
 - the applicable statutory provisions;
 - the Company's control environment, including the policies and procedures implemented to comply with the requirements of its regulator, the adequacy of procedures for authorisation of transactions, internal review procedures over the Company's compliance with regulatory requirements

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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.

Grant Thornton UK LLP

Gareth Norris FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Milton Keynes
Date: 6 July 2021

CARR'S FLOUR MILLS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £000	2020 £000
Turnover	4	95,598	94,981
Cost of sales		(83,146)	(82,231)
Gross profit		12,452	12,750
Distribution costs		(6,733)	(7,291)
Administrative expenses		(3,290)	(3,196)
Other operating income	5	74	74
Fair value movements	12	(41)	59
Operating profit	6	2,462	2,396
Interest payable and expenses		(115)	(170)
Profit before tax		2,347	2,226
Tax on profit	11	(474)	(626)
Profit for the financial year		1,873	1,600

There was no other comprehensive income for 2021 (2020: £Nil).

The notes on pages 16 to 34 form part of these financial statements.

CARR'S FLOUR MILLS LIMITED
REGISTERED NUMBER:00480341

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	13	21,299	21,616
Investments	14	1	1
Investment property	15	910	890
		<u>22,210</u>	<u>22,507</u>
Current assets			
Stocks	16	7,812	6,251
Debtors: amounts falling due within one year	17	13,818	14,008
Cash at bank and in hand	18	1,936	3,465
		<u>23,566</u>	<u>23,724</u>
Creditors: amounts falling due within one year	19	(29,297)	(31,382)
Net current liabilities		<u>(5,731)</u>	<u>(7,658)</u>
Total assets less current liabilities		<u>16,479</u>	<u>14,849</u>
Creditors: amounts falling due after more than one year	20	(930)	(1,064)
Provisions for liabilities			
Deferred tax	23	(1,333)	(1,442)
		<u>(1,333)</u>	<u>(1,442)</u>
Net assets		<u><u>14,216</u></u>	<u><u>12,343</u></u>

CARR'S FLOUR MILLS LIMITED
REGISTERED NUMBER:00480341

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

	Note	2021 £000	2020 £000
Capital and reserves			
Called up share capital	24	207	207
Revaluation reserve	25	642	642
Capital redemption reserve	25	207	207
Profit and loss account	25	13,160	11,287
		<u>14,216</u>	<u>12,343</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



R W Butler
Director

Date: 6 July 2021

The notes on pages 16 to 34 form part of these financial statements.

CARR'S FLOUR MILLS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 April 2020	207	207	642	11,287	12,343
Comprehensive income for the year					
Profit for the year	-	-	-	1,873	1,873
Total comprehensive income for the year	-	-	-	1,873	1,873
At 31 March 2021	207	207	642	13,160	14,216

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 April 2019	207	207	642	9,687	10,743
Comprehensive income for the year					
Profit for the year	-	-	-	1,600	1,600
Total comprehensive income for the year	-	-	-	1,600	1,600
At 31 March 2020	207	207	642	11,287	12,343

The notes on pages 16 to 34 form part of these financial statements.

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Carr's Flour Mills Limited is a private company limited by shares and incorporated in England and Wales. The details of the registered office address, principal place of business and company number can be found on the company information page.

The principal activity of the Company is the procurement of wheat and milling of flour.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Whitworths Holdings Limited as at 31 March 2021 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Going concern

Notwithstanding net current liabilities of £5.7m at the balance sheet date, these financial statements have been prepared on a going concern basis. In considering going concern, the directors review the financial information of the Company for a period of at least 12 months from the date of approval of the financial statements. Having reviewed this information, the directors believe that the Company has sufficient resources to continue in operational existence for the foreseeable future given the ongoing support of fellow group undertakings. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

In reaching this conclusion the directors have also considered the impact of the Covid-19 virus on the Company.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Freehold land is not depreciated.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- up to 50 years
Leasehold property	- shorter of 50 years or lease term
Plant and machinery	- 4 to 15 years
Motor vehicles	- 4 to 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Investment property

Investment property is carried at fair value determined annually by the directors and periodically by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

2.7 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.8 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Financial instruments

The Company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.12 Financial instruments (continued)

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including forward fuel contracts and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for forward fuel contracts and foreign exchange derivatives.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.15 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.16 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Pensions

Contributions payable to the defined contribution scheme are charged to the statement of comprehensive income in the period they are incurred.

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.19 Current and deferred taxation

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

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.20 Research and development expenditure

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

3.1 Critical management judgements in applying accounting policies

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimation, which have the most significant effect on the amounts recognised in the financial statements:

(a) Provision for impairment of trade debtors

The financial statements include a provision for impairment of trade debtors that is based on management's estimation of recoverability. There is a risk that the provision will not match the trade debtors that ultimately prove to be irrecoverable.

(b) Valuation of derivative financial instruments

The fair value of derivative financial instruments is determined using market factors at the year end over which management have no control. Such factors include the estimate of future currency exchange rates. In addition the fair value of such instruments is affected by the global economic environment and financial institution pricing structures.

3.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Determining net realisable value of inventories

In determining the net realisable value of inventories, management takes into account the most reliable evidence available at the dates the estimates are made.

(b) Investment property valuations

In determining the fair value of the investment property, management takes into account market data and previous external valuations at the dates the estimates are made. The directors have considered the impact of Covid-19 on property valuations in making their assessment.

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Turnover

The whole of the turnover is attributable to the procurement of wheat and milling of flour.

Analysis of turnover by country of destination:

	2021 £000	2020 £000
United Kingdom	90,940	80,957
Europe	4,658	14,024
	<u>95,598</u>	<u>94,981</u>

5. Other operating income

	2021 £000	2020 £000
Research and development credit	<u>74</u>	<u>74</u>

6. Operating profit

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

	2021 £000	2020 £000
Foreign exchange losses	37	20
Depreciation of tangible fixed assets	2,035	2,023
Amortisation of government grants	(119)	(119)
Other operating lease rentals	<u>636</u>	<u>610</u>

7. Auditor's remuneration

	2021 £000	2020 £000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>37</u>	<u>37</u>
Fees payable to the Company's auditor in respect of:		
Taxation compliance services	-	4
All other services	<u>2</u>	<u>2</u>

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2021	2020
	£000	£000
Wages and salaries	7,405	6,584
Social security costs	741	665
Cost of defined contribution scheme	528	517
	8,674	7,766

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

	2021	2020
	No.	No.
Sales, office and management	71	71
Manufacturing and distribution	121	104
	192	175

9. Directors' remuneration

	2021	2020
	£000	£000
Directors' emoluments	634	589

The above amounts are in respect of three (2020: four) directors. The other directors are remunerated by the parent company. Accordingly, the above details include no emoluments in respect of these directors.

The highest paid director received remuneration of £225,979 (2020: £145,970).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £20,000 (2020: £11,470).

Certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel. Total remuneration in respect of these individuals was £844k (2020: £714k).

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. Interest payable and similar expenses

	2021 £000	2020 £000
Bank interest payable	32	86
Finance leases and hire purchase contracts	84	84
	<u>116</u>	<u>170</u>

11. Taxation

	2021 £000	2020 £000
Corporation tax		
Current tax on profits for the year	582	523
Adjustments in respect of previous periods	1	2
	<u>583</u>	<u>525</u>
Total current tax	<u>583</u>	<u>525</u>
Deferred tax		
Origination and reversal of timing differences	(66)	(57)
Changes to tax rates	-	158
Adjustments in respect of previous periods	(43)	-
Total deferred tax	<u>(109)</u>	<u>101</u>
Taxation on profit on ordinary activities	<u>474</u>	<u>626</u>

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020: *higher than*) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £000	2020 £000
Profit on ordinary activities before tax	2,347	2,226
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	446	423
Effects of:		
Fixed asset differences	60	40
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	13	2
Adjustments in respect of prior periods	(42)	2
Non-taxable income	(2)	(12)
Research and development tax credit leading to an increase/(decrease) in the tax charge	(1)	(1)
Adjust deferred tax to average rate	-	158
Other differences	-	14
Total tax charge for the year	474	626

12. Fair value movements

	2021 £000	2020 £000
Losses/(gains) on fair value of foreign exchange contracts	61	(53)
(Gains) on revaluation of investment properties	(20)	(6)
	41	(59)

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. Tangible fixed assets

	Freehold land and buildings £000	Plant and machinery £000	Motor vehicles £000	Total £000
Cost or valuation				
At 1 April 2020	14,234	43,524	1,378	59,136
Additions	168	1,527	23	1,718
At 31 March 2021	<u>14,402</u>	<u>45,051</u>	<u>1,401</u>	<u>60,854</u>
Depreciation				
At 1 April 2020	4,062	32,315	1,143	37,520
Charge for the year on owned assets	315	1,643	77	2,035
At 31 March 2021	<u>4,377</u>	<u>33,958</u>	<u>1,220</u>	<u>39,555</u>
Net book value				
At 31 March 2021	<u>10,025</u>	<u>11,093</u>	<u>181</u>	<u>21,299</u>
At 31 March 2020	<u>10,172</u>	<u>11,209</u>	<u>235</u>	<u>21,616</u>

Included in the above amounts for plant and machinery and motor vehicles are assets held under equipment finance or finance leases with a net book value of £36,156 (2020: £46,596).

The Company's bankers held legal charges over certain properties at the year end.

Freehold land of £482,000 (2020: £482,000) is not depreciated.

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Fixed asset investments

	Trade investments £000
Cost	
At 1 April 2020	1
Net book value	
At 31 March 2021	1
<i>At 31 March 2020</i>	1

15. Investment property

	Freehold investment property £000
Valuation	
At 1 April 2020	890
Surplus on revaluation	20
At 31 March 2021	910

The fair value as at 31 March 2021 was determined by directors based on market information and their knowledge of the location and category of the investment properties.

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16. Stocks

	2021	2020
	£000	£000
Raw materials and consumables	6,477	5,483
Finished goods and goods for resale	1,335	768
	7,812	6,251

17. Debtors

	2021	2020
	£000	£000
Trade debtors	12,995	13,017
Other debtors	440	609
Prepayments and accrued income	383	382
	13,818	14,008

18. Cash and cash equivalents

	2021	2020
	£000	£000
Cash at bank and in hand	1,936	3,465

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	7,654	9,421
Amounts owed to group undertakings	19,564	20,585
Corporation tax	117	128
Other taxation and social security	199	184
Obligations under finance lease and hire purchase contracts	15	15
Other creditors	82	79
Accruals and deferred income	1,605	970
Financial instruments	61	-
	<u>29,297</u>	<u>31,382</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Obligations under equipment finance loans are secured on the assets to which they relate and carry a fixed interest rate of 2.15%.

20. Creditors: Amounts falling due after more than one year

	2021	2020
	£000	£000
Net obligations under finance leases and hire purchase contracts	17	32
Deferred income (see note 22)	913	1,032
	<u>930</u>	<u>1,064</u>

Obligations under equipment finance loans are secured against the assets to which they relate and carry a fixed interest rate of 2.15%.

21. Equipment finance loans

Minimum lease payments under hire purchase fall due as follows:

	2021	2020
	£000	£000
Due within one year	15	15
Due between one and two years	15	15
Due between two and five years	3	17
	<u>33</u>	<u>47</u>

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

22. Deferred income

	2021 £000	2020 £000
Grants		
Brought forward	1,151	1,270
Amortisation for the year	(119)	(119)
Carried forward	<u>1,032</u>	<u>1,151</u>
	2021 £000	2020 £000
Due within one year	119	119
Due after more than one year	913	1,032
	<u>1,032</u>	<u>1,151</u>

23. Deferred taxation

	2021 £000	2020 £000
At beginning of year	(1,442)	(1,341)
Charged to profit or loss	109	(101)
At end of year	<u>(1,333)</u>	<u>(1,442)</u>

The provision for deferred taxation is made up as follows:

	2021 £000	2020 £000
Accelerated capital allowances	(1,233)	(1,303)
Capital gains	(100)	(139)
	<u>(1,333)</u>	<u>(1,442)</u>

24. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
207,307 (2020: 207,307) Ordinary shares of £1 each	<u>207</u>	<u>207</u>

CARR'S FLOUR MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

24. Share capital (continued)

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

25. Reserves

Revaluation reserve

This reserve represents the surplus or deficit arising on the revaluation of assets prior to the transition to FRS 102.

Capital redemption reserve

This reserve includes reserves previously used to redeem share capital.

Profit and loss account

This reserve includes all current and prior periods retained profits and losses.

26. Contingent liabilities

The Company is party to an unlimited bank guarantee with its ultimate parent company and certain fellow subsidiary companies. There is a fixed and floating charge over all the assets of the Company which supports the guarantee. Total net debt across all group companies amounts to £63.2m (2020: £47.8m). In the opinion of the directors no loss is expected to arise in respect of these contingencies.

27. Capital commitments

At 31 March 2021 the Company had capital commitments as follows:

	2021	2020
	£000	£000
Contracted for but not provided in these financial statements	422	162

28. Commitments under operating leases

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021	2020
	£000	£000
Not later than 1 year	676	619
Later than 1 year and not later than 5 years	1,134	1,314
	1,810	1,933

CARR'S FLOUR MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

29. Other financial commitments

The Company has unfulfilled purchase commitments for wheat totalling £31.7m (2020: £25.9m). These commitments are for own use purchases rather than commodity trading purposes.

30. Retirement benefits

The Company participates in a group defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £528k (2020: £517k). Contributions totalling £59k (2020: £57k) were payable to the fund at the balance sheet date and are included in creditors.

31. Controlling party

The Company's immediate and ultimate parent undertaking is Whitworths Holdings Limited, a company registered in England and Wales at the same registered office address as that of the Company. The consolidated financial statements of the group are available to the public from the Registrar of Companies, Companies House, Cardiff, CF14 3UZ.

M F George is the ultimate controlling party by virtue of his majority shareholding in Whitworths Holdings Limited.