

Financial Statements

Shipton Mill Limited

For the financial period ended 31 March 2017

FRIDAY



A6LSRF0G

A32

22/12/2017

#257

COMPANIES HOUSE

Registered number: 01458168

Financial Statements

Shipton Mill Limited

For the financial period ended 31 March 2017

Company Information

Director	John Lister
Company secretary	David Roberts
Registered number	01458168
Registered office	Shipton Mill Long Newnton Tetbury Gloucester GL8 8RP
Independent auditors	Grant Thornton Chartered Accountants & Statutory Auditors Molyneux House Bride Street Dublin 8
Bankers	Handelsbanken Bristol branch 40 Queen Square Bristol BS1 4QP
Solicitors	Burges Salmon Narrow Quay House Narrow Quay Bristol BS1 4AH

Contents

	Page
Strategic report	1
Director's report	2
Director's responsibilities statement	3
Independent auditors' report	4 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9 - 26

Strategic report

For the financial period ended 31 March 2017

Introduction

The director has pleasure in presenting the strategic report of the company for the period from 2 April 2016 to 31 March 2017.

Principal activities and business review

The principal activity of the company during the period was the milling of flour.

The director is satisfied with the trading results for the period which is in line with expectation.

Principal risks and uncertainties

Economic risk

The risk of increased interest rates and/or inflation may have an adverse impact on served markets.

Competition risk

The director of the company manages competition risk through close attention to customer service levels and sourcing competitive products.

Financial risk

All key financial figures are monitored on an ongoing basis.

People in our business

The continued success of the company has been achieved by the people working in it. There are many quality members of staff and the relatively low turnover of personnel reflects the general policy of providing good terms and conditions of employment while dealing with staff as well as the other stakeholders in the business, in a fair and consistent manner.

Financial key performance indicators

The company considers the following measures to be important indicators of the underlying performance of the business:


Operating margin

Operating margin for the company was 1.4% compared with 1.7% in 2016.

Gross margin

Gross margin for the company was 31.8% compared with 30.6% in 2016.

This report was approved by the board on 18/12/2017 and signed on its behalf.


David Roberts
Secretary

Director's report

For the financial period ended 31 March 2017

The director presents his report and the financial statements for the financial period ended 31 March 2017.

Results and dividends

The loss for the financial period, after taxation, amounted to £1,520 (2016 - profit £236,251).

The director has not recommended a dividend.

Future developments

The director plans to continue its current activities.

Directors who served during the year

The director who served during the financial period was:

John Lister

Disclosure of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the period end.

Matters covered in the strategic report

Under Schedule 7.1A of "Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008" the company has elected to disclose the following directors report information in the strategic report:

- Principal activities and business review
- Principal risks and uncertainties
- Financial key performance indicators

Auditors

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

This report was approved by the board on

18/12/2017

and signed on its behalf.


John Lister
Director

Director's responsibilities statement

For the financial period ended 31 March 2017

The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with 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'. Under company law the director must not approve the financial statements unless he is satisfied that it gives a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Shipton Mill Limited

We have audited the financial statements of Shipton Mill Limited for the financial period ended 31 March 2017, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of director and auditors

As explained more fully in the Director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Director's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss for the financial period 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.

Independent auditors' report to the members of Shipton Mill Limited

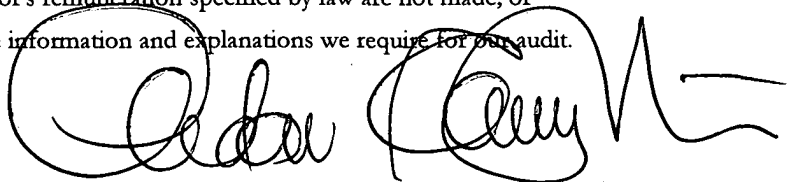
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Director's report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Aidan Connaughton (Senior Statutory Auditor)
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Auditors

Molyneux House
Bride Street
Dublin 8

Date: 18 December 2017.

Statement of comprehensive income

For the financial period ended 31 March 2017

	Note	2017 £	2016 £
Turnover	4	16,866,798	16,567,546
Cost of sales		(11,507,009)	(11,506,093)
Gross profit		5,359,789	5,061,453
Distribution costs		(1,071,160)	(1,073,440)
Administrative expenses		(4,058,255)	(3,714,128)
Other operating income		2,700	5,400
Operating profit	5	233,074	279,285
Interest receivable and similar income		1,356	1,996
Interest payable and expenses	8	(30,961)	(43,755)
Profit before tax		203,469	237,526
Tax on profit	9	(204,989)	(1,275)
(Loss)/Profit for the financial period		(1,520)	236,251

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016: £NIL).

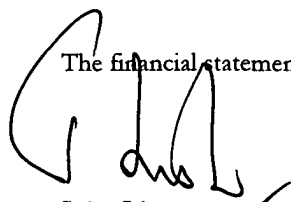
The notes on pages 9 to 26 form part of these financial statements.

Statement of financial position

As at 31 March 2017

	Note	31 March 2017 £	1 April 2016 £
Fixed assets			
Tangible assets	10	5,065,720	5,019,504
Investments	11	1	1
		<u>5,065,721</u>	<u>5,019,505</u>
Current assets			
Stocks	12	822,888	969,447
Debtors: amounts falling due within one year	13	3,016,182	2,946,411
Cash at bank and in hand	14	504,203	94,181
		<u>4,343,273</u>	<u>4,010,039</u>
Creditors: amounts falling due within one year	15	(2,326,600)	(2,182,675)
Net current assets		<u>2,016,673</u>	<u>1,827,364</u>
Total assets less current liabilities		<u>7,082,394</u>	<u>6,846,869</u>
Creditors: amounts falling due after more than one year	16	(140,381)	(73,613)
Deferred tax	19	(480,271)	(309,994)
		<u>(480,271)</u>	<u>(309,994)</u>
Net assets		<u><u>6,461,742</u></u>	<u><u>6,463,262</u></u>
Capital and reserves			
Called up share capital	20	1,000	1,000
Share premium account	21	9,900	9,900
Revaluation reserve	21	2,457,306	2,457,306
Profit and loss account	21	3,993,536	3,995,056
Shareholders funds		<u><u>6,461,742</u></u>	<u><u>6,463,262</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18/12/2017


John Lister
 Director

The notes on pages 9 to 26 form part of these financial statements.

Statement of changes in equity

For the financial period ended 31 March 2017

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 2 April 2016	1,000	9,900	2,457,306	3,995,056	6,463,262
Comprehensive loss for the financial period					
Loss for the financial period	-	-	-	(1,520)	(1,520)
At 31 March 2017	<u>1,000</u>	<u>9,900</u>	<u>2,457,306</u>	<u>3,993,536</u>	<u>6,461,742</u>

Statement of changes in equity

For the financial period ended 1 April 2016

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 28 March 2015	1,000	9,900	2,457,306	3,758,805	6,227,011
Comprehensive income for the period					
Profit for the financial period	-	-	-	236,251	236,251
At 1 April 2016	<u>1,000</u>	<u>9,900</u>	<u>2,457,306</u>	<u>3,995,056</u>	<u>6,463,262</u>

The notes on pages 9 to 26 form part of these financial statements.

Notes to the financial statements

For the financial period ended 31 March 2017

1. General information

Shipton Mill Limited is a company incorporated in the UK. The principal activity of the company is the manufacture and distribution of flours. The registered office of the company is Long Newnton, Tetbury, Gloucester, GL8 8RP, UK.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment 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 11.41(b), 11.41(c), 11.41(e), 11.41(f), 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 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Coinstone Limited as at 31 March 2017 and these financial statements may be obtained from the Companies House, with a registered address of 4 Abbey Orchard Street, Westminster, London, SW1P 2HT.

2.3 Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Notes to the financial statements

For the financial period ended 31 March 2017

2. Accounting policies (continued)

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.

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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

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	- 2% straight line
Long-term leasehold property	- 15 years over lease term
Plant and machinery	- 6% - 25% straight line
Motor vehicles	- 20% straight line

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 the statement of comprehensive income.

Notes to the financial statements

For the financial period ended 31 March 2017

2. Accounting policies (continued)

2.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the statement of comprehensive income.

2.7 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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.

Investments in listed company shares are remeasured to market value at each statement of financial position date. Gains and losses on remeasurement are recognised in the statement of comprehensive income for the period.

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 the statement of comprehensive income.

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.

Notes to the financial statements

For the financial period ended 31 March 2017

2. Accounting policies (continued)

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 only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 Statement of comprehensive income.

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.

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.

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.

Notes to the financial statements

For the financial period ended 31 March 2017

2. Accounting policies (continued)

2.14 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 the Statement of comprehensive income 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 the Statement of comprehensive income within 'other operating income'.

2.15 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.16 Leased assets: Lessee

Assets obtained under hire purchase contract and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Notes to the financial statements

For the financial period ended 31 March 2017

2. Accounting policies (continued)

2.17 Pensions

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 the Statement of comprehensive income 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.

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 the Statement of comprehensive income 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 financial period comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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.

Notes to the financial statements

For the financial period ended 31 March 2017

3. 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:

Providing allowance for slow-moving and obsolete inventory

Management evaluates the realisability of inventory on a case-by-case basis and make adjustments to inventory provision based on an analysis of the historical usage of the individual inventory items. The company's core business is subject to market changes which may cause inventory obsolescence and is considered a key source of estimation uncertainty.

Estimating useful lives of tangible fixed assets

The company estimates the useful lives of tangible assets based on the period over which the assets are expected to be available for use. The estimate useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limited on the use of the assets. In addition, estimation of the useful lives of tangible fixed assets is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above. Based on management's assessment as at 31 March 2017 and 1 April 2016, there is no change in the estimated useful lives of tangible assets during those years.

4. Turnover

The whole of the turnover is attributable to the one principal activity of the company.

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	16,576,689	16,310,068
Rest of the world	290,109	257,478
	<u>16,866,798</u>	<u>16,567,546</u>

5. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed asset owned by the company	412,251	348,907
Depreciation of tangible fixed held under finance leases	87,222	76,869
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	20,000	20,000
Exchange differences	(174)	454
Other operating lease rentals	127,325	105,265
Profit on sale of tangible assets	<u>(13,583)</u>	<u>(6,958)</u>

Notes to the financial statements

For the financial period ended 31 March 2017

6. Employees

Staff costs, including director's remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	1,618,018	1,466,151
Social security costs	155,218	133,254
Cost of defined contribution scheme	10,559	5,369
	<u>1,783,795</u>	<u>1,604,774</u>

The average monthly number of employees, including the director, during the financial period was as follows:

	2017 No.	2016 No.
Average number of employees	<u>56</u>	<u>54</u>

7. Director's remuneration

	2017 £	2016 £
Director's emoluments	88,580	49,765
Company contributions to defined contribution pension schemes	452	452
	<u>89,032</u>	<u>50,217</u>

8. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	1,796	10,283
Interest on loans from group undertakings	17,880	21,100
Finance leases and hire purchase contracts	11,285	12,062
Other interest payable	-	310
	<u>30,961</u>	<u>43,755</u>

Notes to the financial statements

For the financial period ended 31 March 2017

9. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	74,994	43,620
Adjustments in respect of previous periods	(40,282)	(22,730)
Total current tax	34,712	20,890
Deferred tax		
Origination and reversal of timing differences	169,532	(19,461)
Adjustments in respect of previous periods	19,024	(154)
Effect of tax rate change on opening balance	(18,279)	-
Taxation on profit on ordinary activities	204,989	1,275

Factors affecting tax charge for the financial period

The tax assessed for the financial period is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 20% (2016 - 20.01%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	203,469	237,526
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20.01%)	40,694	47,529
Effects of:		
Expenses not deductible for tax purposes	12,367	8,686
Fixed asset timing differences	16,929	15,994
Adjustments to tax charge in respect of prior periods	(21,258)	(22,884)
Deferred capital gains	184,008	(19,461)
Adjustment to deferred tax rate	(27,751)	(14,992)
Group relief	-	(13,597)
Total tax charge for the financial period	204,989	1,275

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the financial statements

For the financial period ended 31 March 2017

10. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 2 April 2016	2,971,681	143,197	5,665,388	1,234,892	10,015,158
Additions	-	-	236,601	309,088	545,689
Disposals	-	-	-	(146,266)	(146,266)
At 31 March 2017	<u>2,971,681</u>	<u>143,197</u>	<u>5,901,989</u>	<u>1,397,714</u>	<u>10,414,581</u>
Depreciation					
At 2 April 2016	404,518	44,250	3,659,113	887,773	4,995,654
Charge owned for the period	67,476	12,448	257,337	74,990	412,251
Charge financed for the period	-	-	8,218	79,004	87,222
Disposals	-	-	-	(146,266)	(146,266)
At 31 March 2017	<u>471,994</u>	<u>56,698</u>	<u>3,924,668</u>	<u>895,501</u>	<u>5,348,861</u>
Net book value					
At 31 March 2017	<u>2,499,687</u>	<u>86,499</u>	<u>1,977,321</u>	<u>502,213</u>	<u>5,065,720</u>
At 1 April 2016	<u>2,567,163</u>	<u>98,947</u>	<u>2,006,275</u>	<u>347,119</u>	<u>5,019,504</u>

Notes to the financial statements

For the financial period ended 31 March 2017

Hire purchase and finance lease agreements

Included within the net book value of £5,065,720 there is £326,117 (2016: £572,113) relating to assets held under hire purchase agreements, and £Nil (2017: £Nil) relating to assets held under finance lease agreements. The depreciation charged in the period in respect of assets held under hire purchase agreements amounted to £87,222 (2016: £74,872), and £Nil (2016: £11,980) in respect of assets held under finance lease agreements.

The freehold property, comprising of two properties, were revalued in October 2010 by Chesterton Humberts and Smiths Gore, independent chartered surveyors. The basis of the valuation of one of the properties was Existing Use Value while the basis of the valuation of the other property was Depreciated Replacement Cost, in accordance with FRS 15 'Tangible Fixed Assets', the applicable accounting standard at that time. The total valuation at October 2010, which is not materially different from the valuation at the balance sheet date, was £2,950,000. Under FRS 102, a continued policy on revaluation was chosen by the director of the company upon transition. FRS 102 requires that where a policy of revaluation is adopted, revaluations must be performed at regular intervals so that the carrying amount stated does not materially differ from the fair value at the reporting date. An interim valuation of the above mentioned properties was conducted by the director during the year. The director is satisfied that the current net book value of these properties, £2,499,687, is not materially different to the market value as at 31 March 2017.

In the opinion of the directors, the value of the freehold property is not less than the net book value shown above.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	31 March 2017 £	1 April 2016 £
Cost	919,157	919,157
Accumulated depreciation	(374,281)	(355,845)
Net book value	544,876	563,312

Notes to the financial statements

For the financial period ended 31 March 2017

11. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 2 April 2016	1
At 31 March 2017	1
Net book value	
At 31 March 2017	1
At 1 April 2016	1

The above investment pertain to £1 Ordinary Share of Golden Sands Limited.

Shipton Mill Limited holds 100% of the ordinary shares of Golden Sands Limited, a company incorporated and registered in The Cayman Islands. Golden Sands Limited is a dormant company with £Nil capital and reserves.

12. Stocks

	31 March 2017 £	1 April 2016 £
Raw materials and consumables	341,430	492,310
Finished goods and goods for resale	481,458	477,137
	822,888	969,447

Stock recognised in cost of sales during the period as an expense was £11,479,820 (2016: £11,491,724).

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Notes to the financial statements

For the financial period ended 31 March 2017

13. Debtors

	31 March 2017 £	1 April 2016 £
Trade debtors	1,930,390	1,885,034
Amounts owed by group undertakings	522,475	606,456
Other debtors	308,463	299,320
VAT repayable	64,917	83,598
Prepayments	189,937	72,003
	<u>3,016,182</u>	<u>2,946,411</u>

Amounts owed by group undertakings are primarily trade related and therefore unsecured, repayable on demand and non-interest bearing except for the amount owed by Coinstone Limited which is financing in nature which bears a market rate of interest.

14. Cash and cash equivalents

	31 March 2017 £	1 April 2016 £
Cash at bank and in hand	<u>504,203</u>	<u>94,181</u>

Notes to the financial statements

For the financial period ended 31 March 2017

15. Creditors: Amounts falling due within one year

	31 March 2017 £	1 April 2016 £
Bank loans	-	131,890
Trade creditors	1,515,909	1,215,090
Amounts owed to group undertakings	58,890	72,284
Corporation tax	75,102	43,800
Taxation and social security	52,402	35,302
Obligations under finance lease and hire purchase contracts	120,732	149,303
Other creditors	7,031	1,234
Accruals and deferred income	496,534	533,772
	<u>2,326,600</u>	<u>2,182,675</u>

Amounts owed to group undertakings are unsecured, interest bearing, repayable on demand and in accordance with the company's principal activity.

	31 March 2017 £	1 April 2016 £
Other taxation and social security		
PAYE/NI control	<u>52,402</u>	<u>35,302</u>

Secured loans

The bank loans and overdrafts are secured by a first priority legal charge over the freehold property, a debenture of the borrower, and a charge over the assets purchased as financed by the loan.

The hire purchase and finance leases obligations are secured over the assets to which they relate.

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

	31 March 2017 £	1 April 2016 £
Net obligations under finance leases and hire purchase contracts	<u>140,381</u>	<u>73,613</u>

Notes to the financial statements

For the financial period ended 31 March 2017

17. Loans

Analysis of the maturity of loans is given below:

	31 March 2017 £	1 April 2016 £
Amounts falling due within one year		
Bank loans	-	131,890

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	31 March 2017 £	1 April 2016 £
Within one year	120,732	149,303
Between 1-2 years	116,724	40,225
Between 2-5 years	23,657	33,388
	261,113	222,916

19. Deferred taxation

	2017 £
At beginning of year	(309,994)
Charged to statement of comprehensive income	(170,277)
At end of year	(480,271)

The provision for deferred taxation is made up as follows:

	31 March 2017 £
Excess of taxation allowances over depreciation on fixed assets	(322,216)
Short term timing differences	15,731
Capital gains	(173,786)
	(480,271)

Notes to the financial statements

For the financial period ended 31 March 2017

20. Share capital

	31 March 2017 £	1 April 2016 £
Shares classified as equity		
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

21. Reserves

Revaluation reserve

Represents the cumulative difference between the fair value and the net book value of the company's freehold property.

Profit and loss account

Represents all current and prior period retained profits and losses.

Called-up share capital

Represents the nominal value of shares that have been issued.

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

22. Contingencies

Handelsbanken Bristol holds letters of guarantee in favour of HM Customs and Excise and the Rural Payments Agency to the value of £36,500.

23. Capital commitments

At 31 March 2017 the company had capital commitments as follows:

	31 March 2017 £	1 April 2016 £
Contracted for but not provided in these financial statements	-	107,866

24. Pension commitments

The company operates a defined contribution pension scheme for employees. During the year, the company contributed £10,559 (2016: £5,369) to the scheme. Amount outstanding at year end is £1,401 (2016: £1,234).

Notes to the financial statements

For the financial period ended 31 March 2017

25. Commitments under operating leases

At 31 March 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	31 March 2017 £	1 April 2016 £
Not later than 1 year	129,440	129,440
Later than 1 year and not later than 5 years	517,760	517,760
Later than 5 years	954,187	1,083,627
	<u>1,601,387</u>	<u>1,730,827</u>

26. Other financial commitments

At 31 March 2017, the company had use of forward currency contracts in the normal course of business to hedge exchange risk on anticipated foreign currency payments. At the year end the company has committed to contracts, which are denominated in Euro and US dollar, to the value of £400,262 (2016: £140,820). A fair value loss on revaluation of £5,630 at the balance sheet date is included within other creditors.

27. Related party transactions

The company has availed of the exemption provided in FRS 102, Section 33, for group undertakings 100% of whose voting rights are controlled within the group headed by Coinstone Limited, from the requirement to give details of transactions with entities that are part of the group or investees of the group qualifying as related parties.

At 31 March 2017, included within other debtors is an amount owing by John Lister, director of the company, of £340. Included in other income for the year is £2,700 (2016: £5,400) payable by John Lister in respect of rent.

28. Parent undertaking and controlling parties

The parent undertaking and immediate controlling party of the company is Coinstone Limited, a company incorporated in England and Wales, with a registered office as Shipton Mill, Long Newton, Tetbury, Gloucestershire.

The smallest and largest group which the results of Shipton Mill Limited are consolidated is that headed by Coinstone Limited. The consolidated financial statements of Coinstone Limited are available to the public.

The ultimate controlling party is Shipton Mill Settlement Trust 2001.

29. Comparative information

Comparative information has been reclassified where necessary to confirm to current financial year presentation.

Shipton Mill Limited

Notes to the financial statements

For the financial period ended 31 March 2017

30. Approval of financial statements

The board of directors approved these financial statements for issue on 18/12/2017