Grant Thornton

Consolidated Financial Statements

Coinstone Limited

For the financial period ended 30 March 2018

Registered number: 1850620

Coinstone Limited

Company Information

Director	John Lister
Registered number	1850620
Registered office	Shipton Mill Long Newnton Tetbury Gloucstershire GL8 8RP
Independent auditors	Grant Thornton Chartered Accountants & Statutory Auditors 13 - 18 City Quay Dublin 2
Bankers	Handelsbanken 40 Queen Street Bristol B51 4QP
Solicitors	Burges Salmon Narrow Quay House Narrow Quay Bristol BS1 4AH

Contents

Group Strategic Report
For the financial period ended 30 March 2018

Introduction

The director has pleasure in presenting the strategic report of the company for the period from 1 April 2017 to 30 March 2018.

Principal activities and business review

The principal activity of the company is that of an investment holding company. The principal activities of the group include flour milling, baking of specialty food, development of advanced fuel technologies and dormant companies.

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

Principal risks and uncertainties

The Director considers that the principal risks and uncertainties faced by the group are in the following categories:

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

Competition risk
The director of the group manages competition risk through close attention to customer service levels.

Financial risk
All key financial figures are monitored on an ongoing basis.

People in our business
The continued success of the group 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 group considers the following measures to be important indicators of the underlying performance of the business:

Operating margin
Operating margin for the group was 2.29% compared with 12.5% in 2017.

Gross margin
Gross margin for the group was 29.8% compared with 32.1% in 2017.

This report was approved by the board on 21/12/18 and signed on its behalf.

John Lister
Director

Director's Report

For the financial period ended 30 March 2018

The director presents his report and the financial statements for the financial period ended 30 March 2018.

Results and dividends

The profit for the financial period, after taxation, amounted to £1,821,374 (2017 : £2,684,216).

A dividend of £67,583 was declared during the year (2017: £254,000).

Director

The director who served during the financial period was:

John Lister

Future developments

The director plans to continue its current activities.

Political contributions

There were no political contributions made during the financial period.

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 and the Group'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 and the Group's auditors are aware of that information.

Post balance sheet events

Subsequent to the year end, the group, headed by Coinstone Limited, underwent a group reorganisation resulting in the dissolution of three non-trade group undertakings. Except as noted in the financial statements of one subsidiary undertaking, there is no material change to the carrying value of intra-group investments or intra-group receivables across the group because of the reorganisation. At group level, the effect of the reorganisation is neutral.

Matters covered in the strategic report

Under Schedule 7.1A of "Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008" the group 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

Director's Report (continued)

For the financial period ended 30 March 2018

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 21/12/18 and signed on its behalf.

John Lister
Director

Director's Responsibilities Statement

For the financial period ended 30 March 2018

The director is responsible for preparing the Group strategic report, the Director's report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The director is responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Director's reports may differ from legislation in other jurisdictions.

GrantThornton

Independent auditors' report to the members of Coinstone Limited

Opinion

We have audited the financial statements of Coinstone Limited (the 'parent company') and its subsidiaries (the 'Group'), which comprise Consolidated statement of comprehensive income, the Consolidated and Company statements of financial position, the Consolidated and Company statements of changes in equity, the Consolidated statement of cash flows for the financial period ended 30 March 2018, and the related 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, Coinstone Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the Group's and the company as at 30 March 2018 and of the Group financial performance and cash flows for the financial period then ended; 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') and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Group and company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, namely FRC's Ethical Standard concerning the integrity, objectivity and independence of the auditor. We have fulfilled our 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Grant Thornton

Independent auditors' report to the members of Coinstone Limited (continued)

Other information

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon, including the Director's report and the Strategic Report. The director are responsible for the other information. Our opinion on the financial statements does not cover the 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 in the financial statements, 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.

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102, and for such internal control as directors determine necessary to enable the preparation of financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group and 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 management either intend to liquidate the Group and company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and company's financial reporting process.

Independent auditors' report to the members of Coinstone Limited (continued)

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Group and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's 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 Group and company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group and company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

The auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

Independent auditors' report to the members of Coinstone Limited (continued)

Where the auditor is reporting on the audit of a group, the auditor's responsibilities are to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group financial statements. The auditor is responsible for the direction, supervision and performance of the audit, and the auditor remains solely responsible for the auditor's opinion

The purpose of our audit work and to whom we owe our responsibilities

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.

Aidan Connaughton
(Senior Statutory Auditor)

for and on behalf of
Grant Thornton

Chartered Accountants
& Statutory Auditors

Dublin 2

Date: 21 December 2018

Consolidated Statement of Comprehensive Income

For the financial period ended 30 March 2018

	Note	Continuing operations 2018 £	Discontinued operations 2018 £	Total 2018 £	Continuing operations 2017 £	Discontinued operations 2017 £	Total 2017 £
Turnover	4	**26,907,896**	-	**26,907,896**	23,035,735	365,349	23,401,084
Cost of sales		**(18,895,047)**	-	**(18,895,047)**	(15,680,238)	(203,587)	(15,883,825)
Gross profit		**8,012,849**	-	**8,012,849**	7,355,497	**161,762**	7,517,259
Distribution costs		**(1,358,912)**	-	**(1,358,912)**	(1,067,278)	(265)	(1,067,543)
Administrative expenses		**(6,271,651)**	-	**(6,271,651)**	(5,770,190)	(159,641)	(5,929,831)
Profit on disposal of fixed assets		-	-	-	378,350	1,922,453	2,300,803
Other operating income	5	**157,876**	-	**157,876**	93,633	-	93,633
Operating profit	6	**540,162**	-	**540,162**	990,012	**1,924,309**	2,914,321
Share of profit of associates		**76,150**	-	**76,150**	19,800	-	19,800
Total operating profit		**616,312**	-	**616,312**	1,009,812	**1,924,309**	2,934,121
Interest receivable and similar income	9	**45,693**	-	**45,693**	32,749	1,485	34,234
Interest payable and expenses	10	**(9,454)**	-	**(9,454)**	(17,232)	-	(17,232)
Reversal of impairment		**1,250,000**	-	**1,250,000**	-	-	-
Profit before taxation		**1,902,551**	-	**1,902,551**	1,025,329	**1,925,794**	2,951,123
Tax on profit	11	**(81,177)**	-	**(81,177)**	(266,907)	-	(266,907)
Profit for the financial period		**1,821,374**	-	**1,821,374**	758,422	**1,925,794**	2,684,216

	2018 £	2017 £
Owners of the parent company	**1,821,374**	2,684,216

Consolidated Statement of Comprehensive Income (continued)
For the financial period ended 30 March 2018

There were no recognised gains and losses for 2018 or 2017 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 16 to 43 form part of these financial statements.

Coinstone Limited

Registered number:1850620

Consolidated Statement of Financial Position

As at 30 March 2018

	Note		30 March 2018 £		31 March 2017 £
Fixed assets					
Intangible fixed assets	12		**345,556**		443,672
Tangible fixed assets	13		**14,456,170**		11,996,577
Fixed asset investments	14		**532,350**		456,200
			15,334,076		12,896,449
Current assets					
Stocks	16	**1,228,713**		928,145	
Debtors: amounts falling due within one year	17	**4,402,400**		4,489,921	
Cash at bank and in hand	18	**6,672,587**		7,791,102	
		12,303,700		13,209,168	
Creditors: amounts falling due within one year	19	**(4,987,063)**		(5,134,672)	
Net current assets			**7,316,637**		8,074,496
Total assets less current liabilities			**22,650,713**		20,970,945
Creditors: amounts falling due after more than one year	20		(107,421)		(162,425)
Deferred taxation	22	**(489,687)**		(508,706)	
Net assets			**22,053,605**		20,299,814
Capital and reserves					
Called up share capital	24		**102**		102
Share premium account	25		**21,235**		21,235
Revaluation reserve	25		**2,297,745**		2,297,745
Profit and loss account	25		**19,734,523**		17,980,732
Shareholders' funds			**22,053,605**		20,299,814

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21/12/18

John Lister
Director

The notes on pages 16 to 43 form part of these financial statements.

Coinstone Limited

Registered number:1850620

Company Statement of Financial Position
As at 30 March 2018

	Note		30 March 2018 £		31 March 2017 £
Fixed assets					
Tangible assets	13		**4,369,821**		4,405,881
Investments	14		**4,557,255**		4,557,255
			8,927,076		8,963,136
Current assets					
Debtors: amounts falling due within one year	17	**4,650,622**		3,346,422	
Cash at bank and in hand	18	**5,347,079**		6,791,851	
		9,997,701		10,138,273	
Creditors: amounts falling due within one year	19	**(6,197,262)**		(6,356,935)	
Net current assets			**3,800,439**		3,781,338
Total assets less current liabilities			**12,727,515**		12,744,474
Net assets			**12,727,515**		12,744,474
Capital and reserves					
Called up share capital	24		**102**		102
Profit and loss account	25		**12,727,413**		12,744,372
Shareholders' funds			**12,727,515**		12,744,474

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21/12/18

John Lister
Director

The notes on pages 16 to 43 form part of these financial statements.

Consolidated Statement of Changes in Equity

For the financial period ended 30 March 2018

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2016	102	21,235	2,297,745	15,550,516	17,869,598
Profit for the period	-	-	-	2,684,216	2,684,216
Dividends: Equity capital	-	-	-	(254,000)	(254,000)
At 1 April 2017	102	21,235	2,297,745	17,980,732	20,299,814
Profit for the financial period	-	-	-	1,821,374	1,821,374
Dividends: Equity capital	-	-	-	(67,583)	(67,583)
At 30 March 2018	102	21,235	2,297,745	19,734,523	22,053,605

The notes on pages 16 to 43 form part of these financial statements.

Company Statement of Changes in Equity

For the financial period ended 30 March 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 2 April 2016	102	12,375,667	12,375,769
Comprehensive income for the period			
Profit for the financial year	-	622,705	622,705
Dividends: Equity capital	-	(254,000)	(254,000)
At 31 March 2017	102	12,744,372	12,744,474
Profit for the financial period	-	50,624	50,624
Dividends: Equity capital	-	(67,583)	(67,583)
At 30 March 2018	102	12,727,413	12,727,515

The notes on pages 16 to 43 form part of these financial statements.

Consolidated Statement of Cash Flows

For the financial period ended 30 March 2018

	30 March 2018 £	31 March 2017 £
Cash flows from operating activities		
Profit for the financial period	**1,821,374**	2,684,216
Adjustments for:		
Amortisation of intangible assets	**98,117**	100,487
Depreciation of tangible assets	**937,473**	848,565
Impairments of fixed assets	**(1,250,000)**	-
Loss on disposal of tangible assets	**(6,810)**	(2,300,803)
Interest payable	**9,454**	17,232
Interest received	**(44,475)**	(34,234)
Taxation charge	**81,177**	266,907
(Increase)/decrease in stocks	**(300,568)**	59,916
Decrease/(increase) in debtors	**87,521**	(935,326)
(Decrease)/increase in creditors	**(18,710)**	1,546,695
Share of operating profit in associates	**(76,150)**	(19,800)
Corporation tax (paid)	**(100,091)**	(2,238)
Net cash generated from operating activities	1,238,312	2,231,617
Cash flows from investing activities		
Purchase of tangible fixed assets	**(2,404,464)**	(2,078,785)
Sale of tangible fixed assets	**7,333**	6,594,098
Purchase of share in associates	-	(440,268)
Interest received	**44,475**	34,234
HP interest paid	**(8,731)**	(11,936)
Net cash (outflow)/inflow from investing activities	(2,361,387)	4,097,343
Cash flows from financing activities		
Repayment of loans	-	(131,890)
New/(repayment) of finance leases	**4,560**	(1,054)
Interest paid	-	(5,296)
Net cash generated/(used in) financing activities	4,560	(138,240)

Consolidated Statement of Cash Flows (continued)

For the financial period ended 30 March 2018

	30 March 2018 £	31 March 2017 £
Net (decrease)/increase in cash and cash equivalents	**(1,118,515)**	6,190,720
Cash and cash equivalents at beginning of financial period	**7,791,102**	1,600,382
Cash and cash equivalents at the end of financial period	**6,672,587**	7,791,102
Cash and cash equivalents at the end of financial period comprise:		
Cash at bank and in hand	**6,672,587**	7,791,102
	6,672,587	7,791,102

The notes on pages 16 to 43 form part of these financial statements.

Notes to the Financial Statements
For the financial period ended 30 March 2018

1. General information

Coinstone Limited is a company incorporated in the UK. The principal activity of the company is that of a holding company. The registered office of the company is Long Newton, 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 Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notifications of, and no objections to, the use of exemptions by the Company's shareholders. The Company has taken advantage of the following exemptions in its individual financial statements:

- from preparing a statement of cashflows, on the basis that it is a qualifying entity and the consolidated statement of cashflows, included in these financial statements, includes the Company's cashflow;
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- from disclosing share based payment arrangements, required under FRS 102 paragraphs 26.18(c), 26.19, 26.21 and 26.23, concerning its own equity instruments. The Company financial statements are presented with the consolidated financial statements and the relevent disclosures are included therein, and
- from disclosing the Company key managment personnel compensation, as required by FRS 102 paragraph 33.7.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Notes to the Financial Statements

For the financial period ended 30 March 2018

2. Accounting policies (continued)

2.3 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated statement of financial position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

Notes to the Financial Statements
For the financial period ended 30 March 2018

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 Group 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 Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group 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 Group 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Notes to the Financial Statements
For the financial period ended 30 March 2018

2. Accounting policies (continued)

2.5 Intangible fixed assets and amortisation

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Statement of Financial Position and amortised over its estimated useful life up to a maximum of 10 years. This length of time is presumed to be the maximum useful life of purchased goodwill as it is difficult to make projections beyond this period. Goodwill is to be reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value will not be recoverable.

Negative goodwill is capitalised and recognised in the profit and loss account in the periods in which the non-monetary assets are recovered, which is considered to be five years.

Amortisation is calculated so as to write off the cost of an asset, less it estimated residual value, over the useful economic life of that asset.

Amortisation is provided at the following rates:

Positive Goodwill - 10% straight line
Negative Goodwill - 20% straight line

2.6 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 Group 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 Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss 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	- Straight line over lease term
Plant and machinery	- 5% - 50% straight line
Equipment	- 20% - 25% 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 Consolidated statement of comprehensive income.

Notes to the Financial Statements
For the financial period ended 30 March 2018

2. Accounting policies (continued)

2.7 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.

2.8 Operating leases: the Group as lessee

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

2.9 Operating leases: the Group as lessor

Rentals income from operating leases is credited to the Consolidated statement of comprehensive income on a straight line basis over the term of the relevant lease.

2.10 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.11 Investment property

Investment property is carried at fair value determined annually 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 Consolidated statement of comprehensive income.

Notes to the Financial Statements
For the financial period ended 30 March 2018

2. Accounting policies (continued)

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted group 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 Consolidated 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 Consolidated statement of comprehensive income for the period.

2.13 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 Consolidated statement of comprehensive income.

2.14 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.

2.15 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.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.16 Financial instruments

The Group only enters into basic financial instrument 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,

Notes to the Financial Statements
For the financial period ended 30 March 2018

2. *Accounting policies (continued)*

2.16 Financial instruments (continued)

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 the 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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 Consolidated 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 Group 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 interest rate swaps 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 interest rate and foreign exchange derivatives.

2.17 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 30 March 2018

2. Accounting policies (continued)

2.18 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 Consolidated 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 Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.19 Finance costs

Finance costs are charged to the Consolidated 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.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Notes to the Financial Statements

For the financial period ended 30 March 2018

2. Accounting policies (continued)

2.21 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts 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 Consolidated statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.22 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated 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 Group in independently administered funds.

2.23 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.24 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Consolidated statement of comprehensive income in the year that the Group 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.

Notes to the Financial Statements

For the financial period ended 30 March 2018

2. Accounting policies (continued)

2.25 Current and deferred taxation

The tax expense for the financial period comprises current and deferred tax. Tax is recognised in the Consolidated 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.26 Research and development

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, which range from three to six years.

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.

Notes to the Financial Statements

For the financial period ended 30 March 2018

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 realisablitity 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 group's core business is subject to market changes which may cause inventory obsolscence and is considered a key source of estimation uncertainty.

Allowance for impairment of trade receivables
The group estimates the allowance for doubtful trade receivable based on assessment of specific accounts where the group has objective evidence comprising default in payment terms or significant financial difficulty that certain customers are unable to meet their financial obligations. In these cases, judgment used was based on the best available facts and circumstances including but not limited to, the length of relationship.

Estimating useful lives of tangible fixed assets
The group's estimates the useful lives of tangible fixed assets based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commerical obsolescence and legal or other limits 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 30 March 2018 and 31 March 2017, there is no change in the estimated useful lives of tangible assets during those years.

Business combinations
Management uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination.

4. Turnover

Analysis of turnover by country of destination:

	2018	2017
	£	£
United Kingdom	**26,332,166**	23,110,975
Rest of the world	**575,730**	290,109
	26,907,896	23,401,084

The whole of the turnover is attributable to the group's principal activities.

Notes to the Financial Statements
For the financial period ended 30 March 2018

5. Other operating income

	2018	2017
	£	£
Other operating income	**157,876**	93,633

6. Operating profit

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

	2018	2017
	£	£
Research & development charged as an expense	**4,403**	9,336
Depreciation of tangible fixed assets	**937,473**	848,565
Profit on disposal of tangible fixed assets	**(6,810)**	(2,300,803)
Amortisation of intangible assets, including goodwill	**98,116**	100,487
Fees payable to the Group's auditor and its associates for the audit of the company's annual financial statements	**40,000**	50,867
Exchange differences	**24,539**	(167)
Operating lease rentals	**263,867**	261,538
Defined contribution pension cost	**12,646**	12,252

7. Employees

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

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

	2018	2017
	No.	No.
Number of production staff	147	131
Number of administrative staff	9	21
Number of management staff	9	1
	165	153

The company has no employees other than the directors, who did not receive any remuneration (2017: £Nil).

Notes to the Financial Statements

For the financial period ended 30 March 2018

	30 March 2018 £	31 March 2017 £
Wages and salaries	**4,019,666**	3,724,121
Social security costs	**375,752**	337,800
Cost of defined contribution scheme	**12,646**	12,252
Total	**4,408,064**	4,074,173

8. Director's remuneration

	2018 £	2017 £
Director's emoluments	**81,506**	88,580
Directors pension costs	**312**	452
	81,818	89,032

During the financial period retirement benefits were accruing to 1 directors (2017 -1) in respect of defined contribution pension schemes.

9. Interest receivable

	2018 £	2017 £
Bank interest receivable	**22,194**	1,495
Other interest receivable	**23,499**	32,739
	45,693	34,234

10. Interest payable and similar expenses

	2018 £	2017 £
Bank interest payable	**-**	1,796
Preference share dividends	**723**	3,500
Finance leases and hire purchase contracts	**8,731**	11,936
	9,454	17,232

Notes to the Financial Statements
For the financial period ended 30 March 2018

11. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	**182,530**	181,510
Adjustments in respect of previous periods	**(82,334)**	(85,158)
Total current tax	**100,196**	96,352
Deferred tax		
Origination and reversal of timing differences	**(24,937)**	173,728
Adjustments in respect of previous periods	**5,918**	16,532
Effect of tax rate change on opening balance	**-**	(19,705)
Total deferred tax	**(19,019)**	170,555
Taxation on profit on ordinary activities	**81,177**	266,907

Factors affecting tax charge for the financial period

The tax assessed for the financial period is lower than (2017 -lower than) the standard rate of corporation tax in the UK of 19.25% (2017 - 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	**1,902,551**	2,951,123
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2017 -20%)	**361,485**	590,225
Effects of:		
Expenses not deductible for tax purposes	**54,107**	54,193
Fixed asset timing difference	**(216,914)**	(453,240)
Effect of different deferred tax rates	**5,807**	(30,494)
Adjustments to tax charge in respect of prior periods	**(82,334)**	(68,626)
Other timing differences	**(21,034)**	(3,960)
Non-taxable income	**(19,940)**	(5,199)
Deferred capital gains	**-**	184,008
Total tax charge for the financial period	**81,177**	266,907

Notes to the Financial Statements
For the financial period ended 30 March 2018

12. Intangible assets

Group and Company

	Negative goodwill £	Positive goodwill £	Total £
Cost			
At 1 April 2017	**(715,708)**	**1,061,306**	**345,598**
At 30 March 2018	**(715,708)**	**1,061,306**	**345,598**
Amortisation			
At 1 April 2017	**(715,708)**	**617,634**	**(98,074)**
Charge for the year	**-**	**98,116**	**98,116**
At 30 March 2018	**(715,708)**	**715,750**	**42**
Net book value			
At 30 March 2018	**-**	**345,556**	**345,556**
At 31 March 2017	-	443,672	443,672

In the prior year, positive goodwill amounting to £159,269 arose primarily due to Coinstone Limited's investment in Savour Cafe Limited, as detailed in Note 14 to the financial statements.

Notes to the Financial Statements

For the financial period ended 30 March 2018

13. Tangible fixed assets

Group

	Freehold property £	Leasehold property £	Investment property £	Plant and machinery £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2017	4,837,753	646,154	4,008,567	8,458,611	2,035,630	19,986,715
Additions	1,560,390	-	-	343,444	243,755	2,147,589
Disposals	-	-	-	(6,450)	(119,786)	(126,236)
At 30 March 2018	6,398,143	646,154	4,008,567	8,795,605	2,159,599	22,008,068
Depreciation						
At 1 April 2017	633,724	456,062	-	5,678,409	1,221,943	7,990,138
Charge for the financial period	117,566	59,286	-	510,507	250,114	937,473
Disposals	-	-	-	(5,927)	(119,786)	(125,713)
Impairment losses written back	-	-	(1,250,000)	-	-	(1,250,000)
At 30 March 2018	751,290	515,348	(1,250,000)	6,182,989	1,352,271	7,551,898
Net book value						
At 30 March 2018	5,646,853	130,806	5,258,567	2,612,616	807,328	14,456,170
At 31 March 2017	4,204,029	190,092	4,008,567	2,780,202	813,687	11,996,577

Notes to the Financial Statements

For the financial period ended 30 March 2018

Tangible fixed assets (continued)

Hire purchase and finance lease agreements

Included within the net book value of £14,456,170 is £385,763 (2017 - £326,117) relating to assets held under hire purchase agreements and finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements and finance lease agreements amounted to £93,325 (2017 - £115,352).

Revalued assets

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 materiality 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. The director is satisfied that the current carrying value of these properties is not materially different to the market value as at 30 March 2018.

Company

	Freehold property £	Investment property £	Total £
Cost or valuation			
At 1 April 2017	**1,808,746**	**2,758,567**	**4,567,313**
At 30 March 2018	**1,808,746**	**2,758,567**	**4,567,313**
Depreciation			
At 1 April 2017	**161,432**	**-**	**161,432**
Charge for the financial period on owned assets	**36,060**	**-**	**36,060**
At 30 March 2018	**197,492**	**-**	**197,492**
Net book value			
At 30 March 2018	**1,611,254**	**2,758,567**	**4,369,821**
At 31 March 2017	1,647,314	2,758,567	4,405,881

Notes to the Financial Statements

For the financial period ended 30 March 2018

14. *Fixed asset investments*

Group

	Investments in associates £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2017	**300,799**	**155,401**	**456,200**
Share of profit	**76,150**	**-**	**76,150**
At 30 March 2018	**376,949**	**155,401**	**532,350**
Net book value			
At 30 March 2018	**376,949**	**155,401**	**532,350**
At 31 March 2017	300,799	155,401	456,200

Company

	Investments in subsidiary companies £	Investments in associates £	Unlisted investments £	Total £
Cost or valuation				
At 1 April 2017	**3,967,336**	**434,518**	**155,401**	**4,557,255**
At 30 March 2018	**3,967,336**	**434,518**	**155,401**	**4,557,255**
Net book value				
At 30 March 2018	**3,967,336**	**434,518**	**155,401**	**4,557,255**
At 31 March 2017	3,967,336	434,518	155,401	4,557,255

Notes to the Financial Statements
For the financial period ended 30 March 2018

14. Fixed asset investments (continued)

All of the subsidiaries, as listed in Note 15, have been consolidated in the group financial statements.

In 2012, Coinstone Limited acquired 25% of the ordinary share capital of Peter's Yard Limited, a company incorporated and registered in England. The company's registered office is 1 Brassey Road, Old Potts Road, Shrewsbury, Shropshire, SY3 7FA and the company's principal activity is building a significant premium bakery brand via wholesale in the UK and abroad. In subsequent years, via its shareholding in Peter's Yard Limited, Coinstone acquired an indirect 25% interest in Peter's Yard Retail Limited and Peter's Yard Wholesale Limited. Coinstone Limited's investment in Peter's Yard Limited would fall to be treated as an associate. The total net associated share of profit for all of these entities to be included within the Coinstone Limited consolidated accounts is £12,723 (2017: £2,127) and consequently on the basis of immateriality, this has not been included in the consolidated results of Coinstone Limited.

In 2017, Coinstone Limited acquired 44.5% of the ordinary share capital of Savour Café Limited, a company incorporated and registered in England. The company's registered office is 1 Brassey Road, Old Potts Road, Shrewsbury, Shropshire, SY3 7FA and the company's principal activity is food retail in specialised stores. The share of the profit of the associate for the post acquisition period was£76,150 (2017: £19,800) which was recognised as an increase in the investment.

In the opinion of the director, at the balance sheet date, the value of the financial fixed asset investments are not less than their book value noted below.

15. Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Shipton Mill Limited	Ordinary	100 %	Flour milling
The Celtic Bakers Limited	Ordinary	100 %	Bakers of speciality breads
PM Corporation Limited	Ordinary	100 %	Bakers of speciality breads
Advanced Fuel Technologies UK Limited	Ordinary	77.7 %	Development of advanced fuel systems
Shiptinvest Limited	Ordinary	100 %	Investment holding company
William Price and Sons Limited (indirect)	Ordinary	100 %	Dormant
Shiptinvest No 1 Limited (indirect)	Ordinary	100 %	Investment holding company
Shiptinvest No 2 Limited (indirect)	Ordinary	100 %	Investment holding company
Primbake Holdings Limited (indirect)	Ordinary	100 %	Investment holding company
Fingold Limited (indirect)	Ordinary	100 %	Investment holding company
Bibury Court Limited (indirect)	Ordinary	100 %	Hospitality business and events hosting

Participating interests

Associates

Name	Class of shares	Holding	Principal activity
Peter's Yard Limited	Ordinary	25%	Premium bakery
Savour Café Limited	Ordinary	45%	Specialist food retail

All associates are incorporated in England.

Acquisition details in relation to Peter's Yard Limited and Savour Café Limited are disclosed in Note 14 of the financial statements.

16. Stocks

	Group 30 March 2018 £	Group 31 March 2017 £
Raw materials and consumables	**687,153**	432,943
Finished goods and goods for resale	**541,560**	495,202
	1,228,713	928,145

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

Stock recognised in cost of sales during the financial period as an expense was £16,967,547 (2017 - £15,881,217)

Notes to the Financial Statements
For the financial period ended 30 March 2018

17. Debtors

	Group 30 March 2018 £	Group 31 March 2017 £	Company 30 March 2018 £	Company 31 March 2017 £
Trade debtors	**3,410,381**	2,915,788	**-**	-
Amounts owed by group undertakings	**-**	-	**4,333,418**	2,719,080
Amounts owed by associated undertakings	**134,295**	100,012	**-**	-
Other debtors	**407,191**	946,900	**293,951**	598,459
VAT repayable	**154,029**	161,861	**-**	5,447
Prepayments and accrued income	**296,504**	365,360	**100**	100
Deferred taxation	**-**	-	**23,153**	23,336
	4,402,400	4,489,921	**4,650,622**	3,346,422

Amounts owed by group undertakings and associated undertakings are unsecured, interest bearing and repayable on demand.

18. Cash and cash equivalents

	Group 30 March 2018 £	Group 31 March 2017 £	Company 30 March 2018 £	Company 31 March 2017 £
Cash at bank and in hand	**6,672,587**	7,791,102	**5,347,079**	6,791,851

Notes to the Financial Statements

For the financial period ended 30 March 2018

19. Creditors: Amounts falling due within one year

	Group 30 March 2018 £	Group 31 March 2017 £	**Company 30 March 2018 £**	Company 31 March 2017 £
Trade creditors	**3,462,504**	3,965,947	**1,512,667**	1,783,744
Amounts owed to group undertakings	**-**	-	**4,503,607**	4,543,209
Corporation tax	**181,725**	181,620	**72,450**	-
Taxation and social security	**110,267**	113,221	**476**	-
Obligations under finance lease and hire purchase contracts	**163,929**	120,732	**-**	-
Other creditors	**26,351**	8,167	**6,105**	-
Accruals	**974,704**	744,982	**34,374**	29,982
Dividends payable	**67,583**	-	**67,583**	-
	4,987,063	5,134,669	**6,197,262**	6,356,935

Amounts owed to group undertakings and other participating interests are unsecured, interest bearing and repayable on demand.

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.

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

	Group 30 March 2018 £	Group 31 March 2017 £
Net obligations under finance leases and hire purchase contracts	**101,744**	140,381
Accruals and deferred income	**5,677**	22,044
	107,421	162,425

Notes to the Financial Statements

For the financial period ended 30 March 2018

21. Hire purchases and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 30 March 2018 £	Group 31 March 2017 £
Within one year	**394,539**	289,353
Between 1-5 years	**938,696**	517,760
Over 5 years	**1,737,739**	954,187
	3,070,974	1,761,300

22. Deferred taxation

Group

	2018 £
At beginning of year	**(508,706)**
Charged to profit or loss	**19,019**
At end of year	**(489,687)**

Notes to the Financial Statements

For the financial period ended 30 March 2018

22. Deferred taxation (continued)

Company

	2018
	£
At beginning of year	**23,336**
Charged to profit or loss	**(183)**
At end of year	**23,153**

	Group 30 March 2018	Group 31 March 2017	Company 30 March 2018	Company 31 March 2017
	£	£	£	£
Accelerated capital allowances	**(361,660)**	(380,796)	**(326)**	(143)
Tax losses carried forward	**6,276**	6,277	**-**	-
Pension surplus	**(173,786)**	(173,786)	**-**	-
Short term timing differences	**39,483**	39,599	**23,479**	23,479
	(489,687)	(508,706)	**23,153**	23,336

23. Financial instruments

	Group 30 March 2018	Group 31 March 2017
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	**6,672,587**	7,791,102
Financial assets that are debt instruments measured at amortised cost	**4,019,171**	3,957,253
Financial assets that are equity instruments measured at cost less impairment	**-**	-
	10,691,758	11,748,355
Financial liabilities		
Financial liabilities measured at amortised cost	**(4,536,817)**	(4,741,140)

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by associated undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, bank loans, other creditors and accruals.

Notes to the Financial Statements
For the financial period ended 30 March 2018

24. Share capital

	30 March 2018 £	31 March 2017 £
Shares classified as equity		
Authorised, allotted, called up and fully paid		
2 (2017 -2) 'A' shares of £1.00 each	**2**	2
100 (2017 -100) 'B' shares of £1.00 each	**100**	100
	102	102

25. 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.

Notes to the Financial Statements

For the financial period ended 30 March 2018

26. Discontinued operations

In July 2016, Bibury Court Limited, the company's subsidiary undertaking, disposed of its freehold property, along with other assets related to the disposed property, which had a net book value of £4,655,292 for an amount of £6,686,697. The profit on disposal of tangible assets is stated net of related legal expenses, which amounted to £108,952. This resulted in the discontinuation of part of the business for this subsidiary undertaking.

		£
Cash proceeds		**6,686,697**
		6,686,697
Net assets disposed of:		
Tangible fixed assets	**(4,655,292)**	
		(4,655,292)
Less: Legal and professional fees		**(108,952)**
Profit on disposal before tax		**(1,922,453)**

27. Contingent liabilities

Handelsbanken Bristol holds letters of guarantee in favour of HM Customs and Excise and the Rural Payments Agency to the value of £72,500 (2017: £36,500).

Notes to the Financial Statements
For the financial period ended 30 March 2018

28. Capital commitments

At 30 March 2018 the Group and company had capital commitments as follows:

	Group 30 March 2018 £	Group 31 March 2017 £
Contracted for but not provided in these financial statements	-	125,569

29. Pension commitments

The group operates a defined contribution scheme. At the year end, included in the financial statements, there was £1,681 (2017: £1,401) amounts outstanding.

30. Commitments under operating leases

At 30 March 2018 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 30 March 2018 £	Group 31 March 2017 £
Not later than 1 year	**159,865**	159,865
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	159,865	159,865

31. Other financial commitments

At 30 March 2018, 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 £488,501 (2017: £400,262). A fair value loss on revaluation of £17,560 (2017: £5,630) at the balance sheet date is included within other creditors.

32. Parent Company profit for the period

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent company for the financial period was £50,624 (2017 -£622,705).

Notes to the Financial Statements

For the financial period ended 30 March 2018

33. Related party transactions

The company has availed of the exemptions in FRS102 Section 33, Paragraph 33.1A which allows non disclosure of transactions between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

During the year Coinstone Limited charged interest of £9,397 (2017: £7,042) to Advanced Fuel Technologies Limited, in respect of balance owing. In addition, Coinstone Limited made full provision for the entire amount owing by Advanced Fuel Technologies UK Limited and subsequent interest charged by Coinstone Limited.

Included in other debtors is an amount owing by Joe Lister of £Nil (2017: £505,501). Joe Lister is one of the beneficiaries of the Shipton Mill Settlement Trust 2001, the company's ultimate controlling party.

During the prior year, Coinstone Limited disposed of properties to related parties at their open market value amounting to £650,000 and £598,693 in respect of Tess Lister and Joe Lister respectively. The parties are related by virtue of both parties being beneficiaries of the Shipton Mills Settlement Trust 2001, the company's ultimate controlling party.

Included in amounts owed by associated undertakings is an amount owing by Peter's Yard Wholesale Limited of £131,359 (2017: £100,012) in respect of sales and services provided to Peter's Yard Wholesale Limited during the year totalling £1,238,991 (2017: £941,883). Peter's Yard Wholesale Limited is an associate of Coinstone Limited.

Included in amounts owed by associated undertakings is an amount owing by Savour Cafe Limited of £2,936 (2017: £Nil) in respect of sales and services provided to Savour Cafe Limited during the year totalling £34,778 (2017: £Nil). Savour Cafe Limited is an associate of Coinstone Limited

34. Controlling party

The ultimate controlling party is the Shipton Mill Settlement Trust 2001.

35. Approval of financial statements

The board of directors approved these financial statements for issue on 21/12/18