

Registration number: 02467855

Easy Eats (UK) Limited

Annual Report and Financial Statements

for the Period from 1 September 2016 to 27 February 2018

Forrester Boyd
Chartered Accountants
26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW



Easy Eats (UK) Limited

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Easy Eats (UK) Limited

Company Information

Directors	A Hayes
	J Beach
	C Wright
	R Firth
Registered office	Unit 170 Walton Summit Road Bamber Bridge Preston PR5 8AH
Auditors	Forrester Boyd Chartered Accountants 26 South Saint Mary's Gate Grimsby North East Lincolnshire DN31 1LW

Easy Eats (UK) Limited

Strategic Report for the Period from 1 September 2016 to 27 February 2018

The directors present their strategic report for the period from 1 September 2016 to 27 February 2018.

Principal activity

The principal activity of the company is manufacturing of extended life food products.

Fair review of the business

During the financial year the ultimate ownership of the Company changed hands and the financial year end has therefore been extended to bring financial reporting in line with other Group companies. The current year financial information therefore covers a period of 18 months compared to a 12 month comparative period.

Revenue has increased this year even considering the extended length of the current period with turnover of nearly £11.8m and a healthy gross profit of £2.5m has been achieved despite rising raw material prices and labour costs.

Net profit has reduced during the year to £499k from £1,005k however the directors are confident of a return to profits achieved in prior years. The directors feel that the new Group structure can only enhance Company performance and provide new opportunities for growth and to further strengthen the Company balance sheet.

The company's key financial and other performance indicators during the period were as follows:

	Unit	2018	2016
Turnover	£	11,789,621	7,778,530
Turnover growth	%	52	19
Profit before tax	£	499,541	1,005,057
Net assets	£	3,241,570	2,775,782

Principal risks and uncertainties

The principal risks and uncertainties faced by the Company are the continued turbulent retail environment and maintaining margins against increases in raw material and associated costs.

The directors continue to use their experience and knowledge of the industry in order to develop new sales opportunities as well as maximise existing product areas and avenues of revenue.

Approved by the Board on 9 November 2018 and signed on its behalf by:



.....
J Beach
Director

Easy Eats (UK) Limited

Directors' Report for the Period from 1 September 2016 to 27 February 2018

The directors present their report and the financial statements for the period from 1 September 2016 to 27 February 2018.

Directors of the company

The directors who held office during the period were as follows.

A Hayes (appointed 23 May 2017)

J Beach (appointed 23 May 2017)

C Wright (appointed 23 May 2017)

R Firth (appointed 23 May 2017)

D R Lewis (resigned 23 May 2017)

Financial instruments

Objectives and policies

The Company's main financial instruments comprise cash and bank deposits, and invoice discounting facility opened during the period and bank loan facilities. These sit alongside trade debtors and creditors that arise directly from Company operations.

The objectives of the directors are to meet ongoing working capital requirements using such instruments whilst ensuring the financial terms associated with such instruments are as advantageous as possible to the Company.

Price risk, credit risk, liquidity risk and cash flow risk

In respect of bank facilities the Company receives funding 'up front' on debts through the invoice discounting facility however all debts are subject to scrutiny internally through credit checks and limits imposed as well as external reviews by the funding provider.

The Company operates within its funding limits and manages liquidity risk through the flexibility of the instruments held which allow the Company to draw down funds as required and meet all working capital requirements.

Credit risk associated with debtors is managed by ongoing monitoring with customers offered credit terms based on their risk profile. The amounts presented in the Statement of Financial Position reflect debtors net of allowances for doubtful debts estimated by management based on prior experience of the customers and their assessment of the current economic climate.

Important non adjusting events after the financial period

After the year end the trade and assets of the Company have been transferred to Summit Foods Limited, leaving the Company dormant. All profits and losses included on page 9 are therefore discontinued operations.

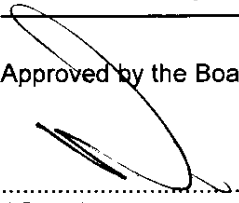
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Easy Eats (UK) Limited

Directors' Report for the Period from 1 September 2016 to 27 February 2018

Approved by the Board on 9 November 2018 and signed on its behalf by:


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J Beach
Director

Easy Eats (UK) Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

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

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

Easy Eats (UK) Limited

Independent Auditor's Report to the Members of Easy Eats (UK) Limited

Opinion

We have audited the financial statements of Easy Eats (UK) Limited (the 'company') for the period from 1 September 2016 to 27 February 2018, which comprise the Statement of Income and Retained Earnings, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 27 February 2018 and of its profit for the 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.

Basis for opinion

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

Conclusions relating to going concern

We 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Other information

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

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

We have nothing to report in this regard.

Easy Eats (UK) Limited

Independent Auditor's Report to the Members of Easy Eats (UK) Limited

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

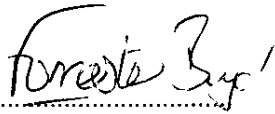
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Easy Eats (UK) Limited

Independent Auditor's Report to the Members of Easy Eats (UK) Limited



Kevin Hopper ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW

9 November 2018

Easy Eats (UK) Limited**Statement of Income and Retained Earnings for the Period from 1 September 2016 to 27 February 2018**

	Note	2018 £	2016 £
Turnover	3	11,789,621	7,778,530
Cost of sales		<u>(9,224,293)</u>	<u>(5,777,001)</u>
Gross profit		2,565,328	2,001,529
Administrative expenses		<u>(1,975,844)</u>	<u>(987,989)</u>
Operating profit	4	<u>589,484</u>	<u>1,013,540</u>
Interest payable and similar charges	5	<u>(53,317)</u>	<u>(8,483)</u>
Exceptional costs	4	<u>(36,626)</u>	<u>-</u>
		<u>(89,943)</u>	<u>(8,483)</u>
Profit before tax		499,541	1,005,057
Taxation	8	<u>(33,753)</u>	<u>(195,020)</u>
Profit for the financial period		465,788	810,037
Retained earnings brought forward		<u>2,775,780</u>	<u>1,965,743</u>
Retained earnings carried forward		<u>3,241,568</u>	<u>2,775,780</u>

Easy Eats (UK) Limited**(Registration number: 02467855)****Balance Sheet as at 27 February 2018**

	Note	2018 £	2016 £
Fixed assets			
Intangible assets	9	500	500
Tangible assets	10	<u>738,892</u>	<u>967,664</u>
		<u>739,392</u>	<u>968,164</u>
Current assets			
Stocks	11	345,517	270,865
Debtors	12	5,138,042	1,146,534
Cash at bank and in hand		<u>98,227</u>	<u>1,779,628</u>
		5,581,786	3,197,027
Creditors: Amounts falling due within one year	14	<u>(2,143,370)</u>	<u>(1,055,022)</u>
Net current assets		<u>3,438,416</u>	<u>2,142,005</u>
Total assets less current liabilities		4,177,808	3,110,169
Creditors: Amounts falling due after more than one year	14	(922,937)	(281,080)
Provisions for liabilities	15	<u>(13,301)</u>	<u>(53,307)</u>
Net assets		<u>3,241,570</u>	<u>2,775,782</u>
Capital and reserves			
Called up share capital	17	2	2
Profit and loss account	18	<u>3,241,568</u>	<u>2,775,780</u>
Total equity		<u>3,241,570</u>	<u>2,775,782</u>

Approved and authorised by the Board on 9 November 2018 and signed on its behalf by:


.....
J Beach
Director

Easy Eats (UK) Limited

Statement of Cash Flows for the Period from 1 September 2016 to 27 February 2018

	Note	2018 £	2016 £
Cash flows from operating activities			
Profit for the period		465,788	810,037
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	324,433	191,488
Profit on disposal of tangible assets		(1,936)	(871)
Finance costs	5	53,317	8,483
Income tax expense	8	33,753	195,020
		<u>875,355</u>	<u>1,204,157</u>
Working capital adjustments			
Increase in stocks	11	(74,652)	(59,566)
(Increase)/decrease in trade debtors	12	(3,991,508)	54,779
Increase in trade creditors	14	1,112,508	37,582
Decrease in deferred income, including government grants		<u>(112,961)</u>	<u>-</u>
Cash generated from operations		(2,191,258)	1,236,952
Income taxes paid	8	<u>(204,844)</u>	<u>(126,005)</u>
Net cash flow from operating activities		<u>(2,396,102)</u>	<u>1,110,947</u>
Cash flows from investing activities			
Acquisitions of tangible assets		(130,788)	(81,668)
Proceeds from sale of tangible assets		<u>37,063</u>	<u>872</u>
Net cash flows from investing activities		<u>(93,725)</u>	<u>(80,796)</u>
Cash flows from financing activities			
Interest paid	5	(53,317)	(8,483)
Proceeds from bank borrowing draw downs		1,042,792	-
Repayment of bank borrowing		<u>(300,995)</u>	<u>(19,213)</u>
Net cash flows from financing activities		<u>688,480</u>	<u>(27,696)</u>
Net (decrease)/increase in cash and cash equivalents		(1,801,347)	1,002,455
Cash and cash equivalents at 1 September		<u>1,779,628</u>	<u>777,173</u>
Cash and cash equivalents at 27 February	13	<u>(21,719)</u>	<u>1,779,628</u>

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

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

1 General information

The company is a private company limited by share capital incorporated in United Kingdom and the company registration number is 02467855.

The address of its registered office is.

Unit 170
Walton Summit Road
Bamber Bridge
Preston
PR5 8AH

These financial statements were authorised for issue by the Board on 9 November 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. These accounts cover an individual entity and not that of a Group.

The financial statements are prepared in pound sterling which is the functional currency of the company and are rounded to the nearest pound.

Disclosure of long or short period

The company has extended the financial year end and as a result the current period covers a period of 18 months from 1 September 2016 to 27 February 2018.

This is due to the change in ultimate ownership of the Group and as such the company year end has been changed to ensure consistency across the Group.

Revenue recognition

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

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

Government grants

Grants are recognised at the fair value of the assets received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Assuming all conditions relating to the grants are met, grants are released to revenue on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Where part of the grant is deferred, it is recognised as deferred income and not deducted from the carrying amount of any assets funded.

Tax

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

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

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using rates and allowances that apply to the sale of the asset.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land & buildings	2% straight line
Plant & machinery	25% straight line
Motor vehicles	25% reducing balance
Equipment	25% straight line

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

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

Asset class	Amortisation method and rate
Goodwill	10% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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 income and retained earnings.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the statement of income and retained earnings over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

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

3 Revenue

The analysis of the company's revenue for the period from continuing operations is as follows:

	1 September 2016 to 27 February 2018	Year ended 31 August 2016
	£	£
Sale of goods	<u>11,789,621</u>	<u>7,778,530</u>

4 Operating profit

Arrived at after charging/(crediting)

	1 September 2016 to 27 February 2018	Year ended 31 August 2016
	£	£
Depreciation expense (net of capital grants released)	211,472	191,288
Amortisation expense	-	200
Profit on disposal of property, plant and equipment	(1,936)	(871)
Exceptional costs re stock write off and product recall	<u>36,626</u>	<u>-</u>

5 Interest payable and similar expenses

	1 September 2016 to 27 February 2018	Year ended 31 August 2016
	£	£
Interest on bank overdrafts and borrowings	<u>53,317</u>	<u>8,483</u>

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

6 Staff costs

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

	1 September 2016 to 27 February 2018 £	Year ended 31 August 2016 £
Wages and salaries	3,417,578	1,555,386
Social security costs	95,506	43,871
Pension costs, defined contribution scheme	14,839	-
	<u>3,527,923</u>	<u>1,599,257</u>

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

	2018 No.	2016 No.
Management	6	5
Production	65	58
	<u>71</u>	<u>63</u>

7 Auditors' remuneration

	1 September 2016 to 27 February 2018 £	Year ended 31 August 2016 £
Audit of the financial statements	<u>3,750</u>	<u>6,000</u>

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

8 Taxation

Tax charged/(credited) in the income statement

	1 September 2016 to 27 February 2018 £	Year ended 31 August 2016 £
Current taxation		
UK corporation tax	86,566	217,651
UK corporation tax adjustment to prior periods	(12,807)	(2,986)
	<u>73,759</u>	<u>214,665</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(40,006)	(19,645)
Tax expense in the income statement	<u>33,753</u>	<u>195,020</u>

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK (2016 - lower than the standard rate of corporation tax in the UK) of 19.39% (2016 - 20%).

The differences are reconciled below:

	1 September 2016 to 27 February 2018 £	Year ended 31 August 2016 £
Profit before tax	<u>499,541</u>	<u>1,005,057</u>
Corporation tax at standard rate	96,861	201,011
Effect of expense not deductible in determining taxable profit (tax loss)	117	(3,005)
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	(12,807)	(2,986)
Tax increase (decrease) from effect of capital allowances and depreciation	3,002	-
Tax increase (decrease) arising from group relief	(36,950)	-
Tax increase (decrease) from effect of adjustment in research and development tax credit	(16,470)	-
Total tax charge	<u>33,753</u>	<u>195,020</u>

The applicable tax rate has changed during the year in accordance with changes in UK company law, reducing the corporation tax to 19% from 1 April 2017.

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

Deferred tax

Deferred tax assets and liabilities

	Liability £
2018	
Accelerated capital allowances	<u>13,301</u>
	Liability £
2016	
Accelerated capital allowances	<u>53,307</u>

9 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 September 2016	<u>1,000</u>	<u>1,000</u>
At 27 February 2018	<u>1,000</u>	<u>1,000</u>
Amortisation		
At 1 September 2016	<u>500</u>	<u>500</u>
At 27 February 2018	<u>500</u>	<u>500</u>
Carrying amount		
At 27 February 2018	<u>500</u>	<u>500</u>
At 31 August 2016	<u>500</u>	<u>500</u>

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

10 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2016	566,119	11,173	825,924	1,308	1,404,524
Additions	-	-	130,788	-	130,788
Disposals	(15,642)	-	(19,485)	(654)	(35,781)
At 27 February 2018	<u>550,477</u>	<u>11,173</u>	<u>937,227</u>	<u>654</u>	<u>1,499,531</u>
Depreciation					
At 1 September 2016	25,914	5,019	405,466	461	436,860
Charge for the period	23,854	3,883	295,849	847	324,433
Eliminated on disposal	-	-	-	(654)	(654)
At 27 February 2018	<u>49,768</u>	<u>8,902</u>	<u>701,315</u>	<u>654</u>	<u>760,639</u>
Carrying amount					
At 27 February 2018	<u>500,709</u>	<u>2,271</u>	<u>235,912</u>	<u>-</u>	<u>738,892</u>
At 31 August 2016	<u>540,205</u>	<u>6,154</u>	<u>420,458</u>	<u>847</u>	<u>967,664</u>

Included within the net book value of land and buildings above is £500,709 (2016 - £540,205) in respect of freehold land and buildings.

11 Stocks

	27 February 2018 £	31 August 2016 £
Raw materials and consumables	285,622	228,818
Finished goods and goods for resale	<u>59,895</u>	<u>42,047</u>
	<u>345,517</u>	<u>270,865</u>

The cost of stocks recognised as an expense in the period amounted to £6,200,849 (2016 - £4,345,910).

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

12 Debtors

	Note	27 February 2018 £	31 August 2016 £
Trade debtors		1,157,820	1,030,983
Amounts owed by related parties	22	3,819,864	2
Other debtors		141,640	61,112
Prepayments		18,718	54,437
Total current trade and other debtors		<u>5,138,042</u>	<u>1,146,534</u>

13 Cash and cash equivalents

		27 February 2018 £	31 August 2016 £
Cash on hand		79	188
Cash at bank		<u>98,148</u>	<u>1,779,440</u>
		98,227	1,779,628
Bank overdrafts		<u>(119,946)</u>	<u>-</u>
Cash and cash equivalents in statement of cash flows		<u>(21,719)</u>	<u>1,779,628</u>

14 Creditors

	Note	27 February 2018 £	31 August 2016 £
Due within one year			
Loans and borrowings	19	359,946	19,915
Trade creditors		601,168	420,288
Amounts due to related parties	22	830,291	9,500
Social security and other taxes		23,458	13,433
Other payables		4,853	16,961
Accrued expenses		204,194	91,274
Income tax liability	8	86,566	217,651
Deferred income		<u>32,894</u>	<u>266,000</u>
		<u>2,143,370</u>	<u>1,055,022</u>
Due after one year			
Loans and borrowings	19	802,792	281,080
Deferred income		<u>120,145</u>	<u>-</u>
		<u>922,937</u>	<u>281,080</u>

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

Included within deferred income is £153,039 (2016: £266,000) in relation to government grants received but not recognised in the statement of income and retained earnings.

The amount of deferred income due to be released after more than 5 years is £112,195 (2016: £Nil). This amount is being released in line with the recognition of the costs compensated by the deferred grant.

15 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 September 2016	53,307	53,307
Increase (decrease) in existing provisions	(40,006)	(40,006)
At 27 February 2018	<u>13,301</u>	<u>13,301</u>

16 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £14,839 (2016 - £Nil).

17 Share capital

Allotted, called up and fully paid shares

	2018		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

18 Reserves

Called up share capital

Share capital comprises the value of issued share capital at par in the Company.

Profit and loss account

The profit and loss account consists of cumulative profits made by the Company attributable to the shareholders.

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

19 Loans and borrowings

	27 February 2018 £	31 August 2016 £
Non-current loans and borrowings		
Bank borrowings	<u>802,792</u>	<u>281,080</u>

	27 February 2018 £	31 August 2016 £
Current loans and borrowings		
Bank borrowings	240,000	19,915
Bank overdrafts	<u>119,946</u>	<u>-</u>
	<u>359,946</u>	<u>19,915</u>

Secured creditors

Included within creditors under loans and borrowings are secured amounts which are denominated in sterling. The carrying amount at period end is £1,162,738 (2016 - £300,995).

Bank borrowings are secured by fixed and floating charges against all assets of the Group by way of a cross guarantee arrangement which includes a specific charge against all property owned by the Group.

20 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2016 £
Not later than one year	43,000	72,500

The amount of non-cancellable operating lease payments recognised as an expense during the period was £129,000 (2016 - £45,833).

21 Contingent liabilities

The company is part of an unlimited cross guarantee arrangement in respect of amounts owed to the bank by Saxon Quality Foods Limited, Pie Tom's Limited, Abbeydale Food Group Limited, Summit Foods Limited and Summit Food Holdings Limited.

At the balance sheet date amounts totalling £2,485,146 (2016: £Nil) were owing to the relevant bank by the above companies.

Easy Eats (UK) Limited

Notes to the Financial Statements for the Period from 1 September 2016 to 27 February 2018

22 Related party transactions

The Company has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures' from disclosing transactions with other members of the Group in which any subsidiary which is a party to the transaction is wholly owned by the Group.

Guarantees

The directors have given joint and several personal guarantees in terms of outstanding loan finance to a maximum level of £300,000.

Directors' & key management compensation

	2018 £	2016 £
Salaries and other short term employee benefits	-	-

The directors are remunerated for their management of the Group as a whole through the parent company, Abbeydale Food Group Limited.

23 Parent and ultimate parent undertaking

The company's immediate parent is Summit Foods Limited, incorporated in the United Kingdom.

The ultimate parent is Abbeydale Food Group Limited, incorporated in the United Kingdom.

The most senior parent entity producing publicly available financial statements is Abbeydale Food Group Limited. These financial statements are available upon request from the registered office of the ultimate parent; 5 Atkinsons Way, Foxhills Industrial Estate, Scunthorpe, DN15 8QJ. These are the largest and smallest group into which the results of the Company are consolidated.

24 Non adjusting events after the financial period

After the year end the trade and assets of the Company have been transferred to Summit Foods Limited, leaving the Company dormant. All profits and losses included on page 9 are therefore discontinued operations.