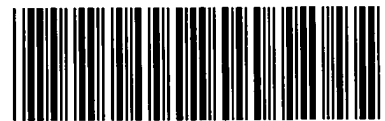


Company Registration No. 03298641 (England and Wales)

MONTANA BAKERY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
26 DECEMBER 2020

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MONTANA BAKERY LIMITED

COMPANY INFORMATION

Directors	J P Mellows Finflex BVBA
Company number	03298641
Registered office	The Bakery Blackthorne Road Colnbrook Slough Berkshire SL3 0AP
Auditor	RSM UK Audit LLP Chartered Accountants Davidson House Forbury Square Reading Berkshire RG1 3EU
Business address	The Bakery Blackthorne Road Colnbrook Slough Berkshire SL3 0AP

MONTANA BAKERY LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 26 DECEMBER 2020

The directors present the strategic report for the period ended 26 December 2020.

Montana Bakery Limited is an independently owned artisan bakery, renowned for its expertise in delivering high quality and innovative product offerings, whose principal activity is that of the production and supply of chilled, frozen and ambient food products to retailers, food manufacturers and food service businesses.

Fair review of the business

The directors are satisfied with the performance of the company during the trading period and at the period end, which shows an underlying increase in turnover and net assets.

We made a strong start to the year; however, the COVID-19 pandemic had its impacts worldwide from March 2020 affecting our business also. Due to the national lockdown, a number of orders were suspended or reduced by the UK foodservice industry. Q2 of 2020 was a difficult period with reduced sales and increased overheads relating to PPE, hygiene, and social distancing measures to enable our bakery to operate as COVID-19 secure.

At the same time, we developed and launched a series of products for the retail market to serve the needs of the 'eating at home' customer, driven by the lockdown measures. These products were extremely successful and contributed to a strong commercial result despite the effects of the pandemic and associated lockdown measures.

Our strategy will be to continue to diversify our customer portfolio through innovative and high-quality product offerings to provide our customers with a unique selling point. We will continue to invest and upgrade our plant and equipment and develop the skill base of our employees whilst driving forward growth and profitability in the company.

Key performance indicators

The directors consider the key performance indicators of the company to be growth in turnover, gross profit margin and profit before taxation. The results for the period show an underlying growth in turnover of 11.0% (2019: 0.7%) which is an astonishing result given the COVID-19 pandemic situation and is in line with the overall strategy and direction of the company. The directors are comfortable that turnover has increased in line with overall projections. The gross profit margin has declined by 1.5% to 38.4% (2019: 39.9%) in the period to 26 December 2020. This is a combination of product mix, increased promotional activity and increased labour costs mainly due to the social distancing measures followed. Profit before tax for the period was £1,369,213, representing a reduction of 24.9% on the previous period's reported profit before tax of £1,823,670. However, the directors are satisfied with the overall performance of the company and expect the results for the year ending 31 December 2021 to show further improvement.

Principal risks and uncertainties

We will continue to actively manage the risks faced by the business both internally and externally, including the potential further impact of Brexit implications.

Our principal risks are competition from existing providers and new entrants to the market and the increasing cost of raw materials. The risk of competition from existing providers and new entrants to the market are mitigated by providing a diverse product offering to our customers and our continued investment into research and development to develop a wider and innovative range of products to take to market. We also maintain strong relationships with our customers to ensure our needs are aligned. We mitigate the increasing cost of raw materials by managing our relationships with suppliers and ensuring we source quality raw materials at effective prices.

We will prioritise risks identified in order of importance and continue to invest in our key assets, being our bakery facilities and staff, providing them with the necessary skills and knowledge, in order to negate the impact of risks on our business.

MONTANA BAKERY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 26 DECEMBER 2020

Going concern

Prior to the COVID-19 pandemic, the business was making very good progress and indeed was outperforming its targets for Q1 2020. Following the UK wide lockdown towards the end of March 2020, a number of key customers, particularly in the food service sector, were closed for business. This had a dramatic impact on customer orders with an overall decline of around 30%-35%.

By the end of Q2 2020, we had refocused our business towards consumer packed products for food retail which helped compensate for the reduction in foodservice orders as a result of the effects of lockdown. In the year 2021, we forecast that these products will continue to generate revenue and continue to launch number of new products to the retail market.

The continued growth in sales revenue and cash demonstrates the strong liquid position of the company and the forecast for the year ahead also reflects the sufficient cash resources to meet our obligations to suppliers. Furthermore, we are supported by a strong parent company whom we can rely on should the need arise. The business is also now free from external debt, has not used any overdraft facilities, nor is dependent on any of these facilities externally or from the parent company. The board is therefore satisfied that the company has enough cashflow to operate for at least 12 months from the date of signing the financial statements.

Directors' duties to stakeholders (Section 172(1) statement)

The directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and – the need to act fairly as between members of the company.

The directors of the company have sought to balance the needs of its members with the s.172 matters throughout the year, for example in the policies and practices which run through the company, ensuring that the company's reputation for high standards of conduct are maintained and in our engagement with our employees.

The directors of the company have a duty to promote the success of the company, and it relies on smooth operations and the support and joint efforts of stakeholders. Thus, effective communication and interaction are indispensable in the company's business operations. Montana Bakery Limited is aware of the importance of stakeholder opinions and understands and responds to relevant stakeholders and their concerns after thorough analysis.

Engagement with employees

Employees are the most valuable assets of the company. Our people's commitment is essential for us to deliver on our vision. We engage with the employees through the television displays, notice boards displays, operating meetings, regular and ad hoc meetings, and email for the following topics:

- Sustainable strategies and their implementation
- Welfare and employee care
- Compliance
- Updates on customers' orders and their expectations
- Work environment safety and labour health protection

We are committed to recruiting, training, and retaining the best talent we can find. We set up strict selection procedures and standards in place to ensure non-discrimination in our employment policy. We provide employees with comprehensive training and career development opportunities. We conduct departmental and external professional training.

MONTANA BAKERY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 26 DECEMBER 2020

Engagement with suppliers, customers and others in a business relationship with the company

Suppliers

As a leading manufacturer, Montana Bakery Limited operates in conjunction with a wide range of raw materials and packaging materials suppliers including flour, butter, cheeses, vegetables and consumer packaging. The company has invested over many years in developing strong relationships with a supply chain that share our values. We recognise the value that this relationship brings where trust and collaboration are paramount particularly in unexpected abnormal times.

All supplier-related activity is managed in line with the company procurement policies.

We work with suppliers to give them maximum possible vision of our relevant requirements, our stock levels and lead time and ensure that invoices are paid in a timely manner.

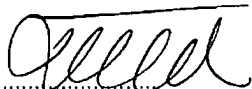
Customers

Montana Bakery Limited works with its customers to ensure that our products are designed and manufactured to make the products that are needed. We also learn about customer requirements and satisfaction through regular customer visits. We aim to deliver products in line with customer expectations and minimise our cost base so that our prices are as competitive as possible. The company enjoys a number of long-established relationships with clients.

Others

Montana Bakery Limited is a food manufacturing company and subject to regulations and approvals in all the markets we operate in. Therefore, it is important that we meet the global standards and compliance. Montana Bakery Limited currently holds BRC & IFS certification and all the required independent specific audit requirements of its customers. We continue to liaise with and have good relationships with local authorities and regulatory bodies in respect of food manufacturing, health & safety and COVID-19 security.

On behalf of the board



J P Mellows

Director

Date: 8th April 2021

MONTANA BAKERY LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 26 DECEMBER 2020

The directors present their annual report and financial statements for the period ended 26 December 2020.

Results and dividends

The results for the period are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

J P Mellows
Finflex BVBA

Financial risk management objectives and policies

The company makes little use of financial instruments other than an operational bank account, finance leases and, on occasion, short term funding from group companies, and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not considered by the directors to be material for the assessment of the assets, liabilities, financial position and profit or loss of the group.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Business relationships

The directors understand the need to foster good company business relationships with customers, suppliers and other parties in order to develop, protect and grow the business into the future. These stakeholders are continually considered in our principal decision making throughout the year.

Future developments

As outlined further in the strategic report, we will continue to invest and upgrade our plant and equipment and optimise the new production facilities that came on stream in 2019, which allows for new product development and expansion into the existing and new customer bases. The directors have forecasted continued growth and profitability in the business, despite the current uncertainty faced in the economic and political arenas, both in the UK and abroad, and will continue to closely monitor the situation and take the appropriate actions to ensure the continued success of the business.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

MONTANA BAKERY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 26 DECEMBER 2020

Energy and carbon reporting

Following the adoption of the new Streamlined Energy and Carbon Reporting framework, the directors present their report on the performance of Montana Bakery Limited below:

Energy consumption	kWh	
Aggregate of energy consumption in the year	16,902,253	
<hr/>		
Emissions of CO2 equivalent	Metric tonnes	Metric tonnes
Scope 1 - direct emissions		
- Gas combustion	2,172.80	
- Fuel consumed for owned transport	17.10	
	<hr/>	2,189.90
Scope 2 - indirect emissions		
- Electricity purchased		1,422.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the company		123.50
		<hr/>
Total gross emissions		3,735.40
<hr/>		
Intensity ratio		
Tonnes CO2e per tonnes of flour		9142.5

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per tonnes of flour, the recommended ratio for the sector.

MONTANA BAKERY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 26 DECEMBER 2020

Measures taken to improve energy efficiency

In the first reporting year, any activities to improve energy use and reduce emissions will not have quantitative data to manage the positive environmental impact. Any activity with a positive outcome will be incidental, with its overall impact not measurable.

For year 2 and beyond, measures will be put in place to identify reductions where measurement and quantitative analysis are possible.

In the year ended 31 December 2020, Montana Bakery Limited has helped to minimise energy consumption by:

- Replacing 100% of the lighting system with LEDs. The approximate cost of this project was £73,000.
- Improving the insulation of the three steam boilers, which form the steam plant. Steam valves were insulated with Velcro jackets and the pipework insulation was replaced with new on those areas where it was lacking or damaged. The approximate cost of this project was £8,000.
- Replacing old domestic boilers with new and more efficient condensing ones. The approximate cost of this project was £9,500.
- Investing in new apprenticeship roles, which will be focused on completing projects to reduce waste and energy on-site.
- Appointing an Environmental Manager, who will be in charge of monitoring and improving the energy performance of the company.
- Replacing three petrol company cars with electric vehicles and implementing three electric car charging points on-site.

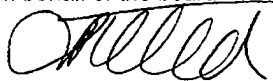
Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of principal risks and uncertainties and employee engagement.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



J P Mellows

Director

Date: 8th April 2021

MONTANA BAKERY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 26 DECEMBER 2020

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANA BAKERY LIMITED

Opinion

We have audited the financial statements of Montana Bakery Limited (the 'company') for the period ended 26 December 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 26 December 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANA BAKERY LIMITED (CONTINUED)

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTANA BAKERY LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and reviewing tax provisions and computations.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to food safety and health and safety. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue cut-off as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, and reviewing a sample of transactions either side of the year end to ensure that revenue had been recognised in the correct accounting period.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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.

RSM UK Audit LLP

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Mayulee Pinkerton CA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square
Reading
Berkshire, RG1 3EU
12 April 2021

MONTANA BAKERY LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 26 DECEMBER 2020

		Period ended 26 December 2020 £	Period ended 28 December 2019 £
	Notes		
Turnover	3	38,558,722	34,734,530
Cost of sales		(23,763,342)	(20,891,114)
Gross profit		14,795,380	13,843,416
Distribution costs		(4,197,280)	(4,206,852)
Administrative expenses		(9,454,342)	(7,787,271)
Other operating income		248,399	-
Operating profit	6	1,392,157	1,849,293
Interest receivable and similar income	8	22,325	47,127
Interest payable and similar expenses	9	(45,269)	(72,750)
Profit before taxation		1,369,213	1,823,670
Tax on profit	10	(283,213)	(372,447)
Profit for the financial period		1,086,000	1,451,223

MONTANA BAKERY LIMITED**BALANCE SHEET****AS AT 26 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Goodwill	11		-		-
Tangible assets	12	12,844,041		13,369,837	
Investments	13		-		-
		<u>12,844,041</u>		<u>13,369,837</u>	
Current assets					
Stocks	14	1,320,851		1,084,452	
Debtors	15	5,587,105		7,766,019	
Cash at bank and in hand		4,648,799		1,494,580	
		<u>11,556,755</u>		<u>10,345,051</u>	
Creditors: amounts falling due within one year	16	(11,897,780)		(12,289,171)	
Net current liabilities			(341,025)		(1,944,120)
Total assets less current liabilities		<u>12,503,016</u>		<u>11,425,717</u>	
Creditors: amounts falling due after more than one year	17		-		(100,000)
Provisions for liabilities	19		(713,567)		(622,268)
Net assets		<u>11,789,449</u>		<u>10,703,449</u>	
Capital and reserves					
Called up share capital	22	3,500,000		3,500,000	
Profit and loss reserves	23	8,289,449		7,203,449	
Total equity		<u>11,789,449</u>		<u>10,703,449</u>	

The financial statements were approved by the board of directors and authorised for issue on 8 April 2021 and are signed on its behalf by:



 J P Mellows
 Director

MONTANA BAKERY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 26 DECEMBER 2020

	Share capital £	Profit and loss reserves £	Total £
Balance at 30 December 2018	3,500,000	5,752,226	9,252,226
Period ended 28 December 2019:			
Profit and total comprehensive income for the period	-	1,451,223	1,451,223
Balance at 28 December 2019	3,500,000	7,203,449	10,703,449
Period ended 26 December 2020:			
Profit and total comprehensive income for the period	-	1,086,000	1,086,000
Balance at 26 December 2020	3,500,000	8,289,449	11,789,449

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 26 DECEMBER 2020

1 Accounting policies

Company information

Montana Bakery Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is The Bakery, Blackthorne Road, Colnbrook, Slough, Berkshire, SL3 0AP.

The company's principal activities and nature of its operations are disclosed in the Strategic Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Dr. August Oetker KG. These consolidated financial statements are available from its registered office, Lutterstr. 14, 33617 Bielefeld, Germany.

The company has taken advantage of the exemption under section 402 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 26 DECEMBER 2020

1 Accounting policies (Continued)

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Prior to the COVID-19 pandemic, the business was making very good progress and indeed was outperforming its targets for Q1 2020. Following the UK wide lockdown towards the end of March 2020, a number of key customers, particularly in the food service sector, were closed for business. This had a dramatic impact on customer orders with an overall decline of around 30%-35%.

By the end of Q2 2020, we had refocused our business towards consumer packed products for food retail which helped compensate for the reduction in foodservice orders as a result of the effects of lockdown. In the year 2021, we forecast that these products will continue to generate revenue and continue to launch number of new products to the retail market.

The continued growth in sales revenue and cash demonstrates the strong liquid position of the company and the forecast for the year ahead also reflects the sufficient cash resources to meet our obligations to suppliers. Furthermore, we are supported by a strong parent company whom we can rely on should the need arise. The business is also now free from external debt, has not used any overdraft facilities, nor is dependent on any of these facilities externally or from the parent company. The board is therefore satisfied that the company has enough cashflow to operate for at least 12 months from the date of signing the financial statements.

Reporting period

The company operates and reports on a 52 of 53 week financial year ending on the closest Saturday to 31 December. Accordingly, the current information represents the period 29 December 2019 to 26 December 2020. The comparative information represents the period from 29 December 2018 to 28 December 2019.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the lease term
Plant and machinery	10% straight line
Computer equipment	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises raw materials and consumables, as well as finished goods and goods for resale.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

1 Accounting policies (Continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

The company received a discretionary cash grant of £248,399 from the government as part of the Coronavirus Job Retention Scheme (CJRS) which compensates employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer). The grant is conditional upon the employees being employed and on the company PAYE payroll and the employee cannot do any work for their employer that makes money or provides services for their employer or any organisation linked or associated with their employer. There are no unfulfilled conditions or contingencies attached to the grant and the company has received no other forms of government assistance.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Dilapidations provision

Management have considered their obligations under a lease agreement to provide for the reinstatement of the company's leased premises on termination of the lease and have determined that no provision is considered necessary. Accordingly, no provision has been reflected in these financial statements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Customer rebates

In calculating the expected rebates to be provided for, management make judgements based on the expected obligation of the company using historic data and experience.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020 £	2019 £
Turnover analysed by class of business		
Sale of goods	38,558,722	34,734,530
	<u> </u>	<u> </u>
	2020 £	2019 £
Other revenue		
Interest income	22,325	47,127
Grants received	248,399	-
	<u> </u>	<u> </u>

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

3 Turnover and other revenue (Continued)

	2020 £	2019 £
Turnover analysed by geographical market		
UK	38,255,999	34,229,272
Europe	302,723	505,258
	<u>38,558,722</u>	<u>34,734,530</u>

Grant income of £248,399 relates to income received under the government's Coronavirus Job Retention Scheme (CJRS). The company furloughed a number of staff under the CJRS and the funding received of £248,399 relates to staff costs in respect of these staff, which are included within note 4. No other grant income was received during the current or prior year.

4 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2020 Number	2019 Number
Production & Distribution	317	288
Office & Admin	28	26
Sales	5	5
Engineers	10	10
Hygiene	24	21
Technical	6	6
Quality control	10	10
Stores & Purchasing	7	6
Total	<u>407</u>	<u>372</u>

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	12,134,440	10,200,546
Social security costs	866,896	783,735
Pension costs	227,147	189,895
	<u>13,228,483</u>	<u>11,174,176</u>

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

5 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	218,410	262,785
Company pension contributions to defined contribution schemes	4,857	4,330
	<u>223,267</u>	<u>267,115</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2019 - 1).

All remuneration disclosed above relates to amounts paid to the highest paid director.

6 Operating profit

	2020 £	2019 £
Operating profit for the period is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	128,287	(135,400)
Government grants	(248,399)	-
Depreciation of owned tangible fixed assets	1,662,266	786,853
Depreciation of tangible fixed assets held under finance leases	-	35,482
(Profit)/loss on disposal of tangible fixed assets	-	4,446
Impairment of stocks recognised or reversed	(10,961)	8,927
Operating lease charges	919,519	935,518
	<u>919,519</u>	<u>935,518</u>

7 Auditor's remuneration

	2020 £	2019 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the company	31,500	30,000
For other services		
Taxation compliance services	4,200	6,400
All other non-audit services	5,150	4,900
	<u>9,350</u>	<u>11,300</u>

8 Interest receivable and similar income

	2020 £	2019 £
Interest income		
Interest receivable from group companies	22,325	47,127
	<u>22,325</u>	<u>47,127</u>

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

9 Interest payable and similar expenses

	2020 £	2019 £
Interest payable to group undertakings	41,950	60,445
Interest on finance leases and hire purchase contracts	2,768	10,778
Other interest	551	1,527
	<u>45,269</u>	<u>72,750</u>

10 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	225,381	187,689
Adjustments in respect of prior periods	(33,467)	(76,795)
Total current tax	<u>191,914</u>	<u>110,894</u>
Deferred tax		
Origination and reversal of timing differences	51,062	261,553
Changes in tax rates	69,737	-
Adjustment in respect of prior periods	(29,500)	-
Total deferred tax	<u>91,299</u>	<u>261,553</u>
Total tax charge	<u>283,213</u>	<u>372,447</u>

The total tax charge for the period included in the profit and loss account can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	<u>1,369,213</u>	<u>1,823,670</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	260,150	346,497
Change in unrecognised deferred tax assets	-	68,219
Adjustments in respect of prior years	(33,467)	(76,795)
Permanent capital allowances in excess of depreciation	16,293	57,273
Deferred tax adjustments in respect of prior years	(29,500)	-
Deferred tax adjustments for changes in tax rate	69,737	(22,747)
Taxation charge for the period	<u>283,213</u>	<u>372,447</u>

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 26 DECEMBER 2020

10 Taxation (Continued)

The Finance Act 2016 was enacted so as to reduce the corporation tax rate from 19% to 17% with effect from 1 April 2020. In March 2020 the Chancellor announced that the tax rate would remain at 19%, and this was substantively enacted before the reporting date therefore has been used in the measurement of deferred tax.

11 Intangible fixed assets

	Goodwill £
Cost	
At 29 December 2019 and 26 December 2020	6,312
Amortisation and impairment	
At 29 December 2019 and 26 December 2020	6,312
Carrying amount	
At 26 December 2020	-
At 28 December 2019	-

12 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Computer equipment £	Total £
Cost				
At 29 December 2019	5,522,001	25,136,061	642,206	31,300,268
Additions	213,876	819,850	102,744	1,136,470
At 26 December 2020	5,735,877	25,955,911	744,950	32,436,738
Depreciation and impairment				
At 29 December 2019	2,037,631	15,275,526	617,274	17,930,431
Depreciation charged in the period	354,005	1,281,282	26,979	1,662,266
At 26 December 2020	2,391,636	16,556,808	644,253	19,592,697
Carrying amount				
At 26 December 2020	3,344,241	9,399,103	100,697	12,844,041
At 28 December 2019	3,484,370	9,860,535	24,932	13,369,837

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	2020 £	2019 £
Plant and machinery	-	123,450

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

13 Fixed asset investments

	2020 £	2019 £
Investments in subsidiaries	-	-

The company's subsidiary, Les Artisans Boulangers Limited, was dissolved on 31 December 2019.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 29 December 2019	50,000
Disposals	(50,000)
At 26 December 2020	-
Impairment	
At 29 December 2019	50,000
Disposals	(50,000)
At 26 December 2020	-
Carrying amount	
At 26 December 2020	-
At 28 December 2019	-

14 Stocks

	2020 £	2019 £
Raw materials and consumables	535,766	376,867
Finished goods and goods for resale	785,085	707,585
	<u>1,320,851</u>	<u>1,084,452</u>

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

15 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	4,747,310	4,559,663
Amounts owed by group undertakings	9,936	2,694,659
Other debtors	617,405	299,660
Prepayments and accrued income	212,454	212,037
	<u>5,587,105</u>	<u>7,766,019</u>

16 Creditors: amounts falling due within one year

	Notes	2020	2019
		£	£
Obligations under finance leases	18	-	25,811
Trade creditors		3,957,141	3,155,405
Amounts owed to group undertakings		2,760,050	3,521,322
Corporation tax		64,876	135,277
Other taxation and social security		195,976	241,767
Other creditors		1,716,042	2,836,744
Accruals and deferred income		3,203,695	2,372,845
		<u>11,897,780</u>	<u>12,289,171</u>

Certain trade debtors were subject to an invoice discounting agreement during the year. Included within other creditors is £1,716,042 (2019: £2,836,744) owed in respect of this agreement at the reporting date. The creditor is secured by a charge over the debts to which it relates.

17 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Accruals and deferred income	-	100,000
	<u>-</u>	<u>100,000</u>

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

18 Finance lease obligations

	2020	2019
	£	£
Future minimum lease payments due under finance leases:		
Less than one year	-	28,579
Less: future finance charges	-	(2,768)
	<u>-</u>	<u>25,811</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Finance lease liabilities are secured on the assets to which they relate.

19 Provisions for liabilities

	Notes	2020	2019
		£	£
Deferred tax liabilities	20	<u>713,567</u>	<u>622,268</u>

20 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2020	Liabilities 2019
	£	£
Balances:		
Accelerated capital allowances	<u>713,567</u>	<u>622,268</u>
Movements in the period:		2020
		£
Liability at 29 December 2019		622,268
Charge to profit or loss		<u>91,299</u>
Liability at 26 December 2020		<u>713,567</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

21 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	227,147	189,895

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

There were no contributions outstanding at the period end (2019: £nil).

22 Share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	3,500,000	3,500,000	3,500,000	3,500,000

The company has one class of Ordinary share which are not redeemable but hold full rights in respect of voting, and entitle the holder to full participation in respect of equity, dividends and in the event of a winding up of the company.

23 Reserves

Profit and loss reserves

Represents cumulative profit or loss, net of distributions to owners.

24 Financial commitments, guarantees and contingent liabilities

By way of a cross guarantee dated 26 February 2016, the company has a fixed and floating charge over its assets in respect of a loan taken out by Bake & Co NV, a parent undertaking. In the opinion of the directors, no liability is expected to arise as a result of this guarantee.

25 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	841,363	919,280
Between one and five years	3,337,120	3,344,203
In over five years	8,412,323	9,246,603
	<u>12,590,806</u>	<u>13,510,086</u>

MONTANA BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 26 DECEMBER 2020

26 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2020 £	2019 £
Acquisition of tangible fixed assets	<u>316,421</u>	<u>161,782</u>

27 Ultimate controlling party

The immediate parent company is Diversi Foods NV, whose registered office is Industrieweg 29, 9420 Erpe, Belgium.

The directors consider Dr. August Oetker KG to be the ultimate parent company, whose registered office is Lutterstr. 14, 33617 Bielefeld, Germany. Dr. August Oetker KG heads the smallest and largest group of undertakings for which group financial statements including Montana Bakery Limited are prepared.

The directors do not consider there to be one ultimate controlling party.