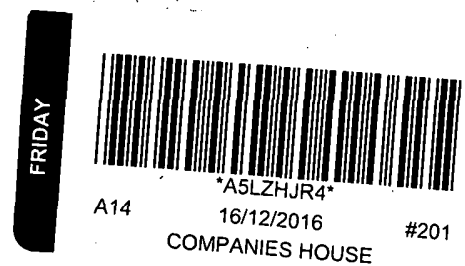


**Company's Registration Number 04638465**

**PIEMINISTER LIMITED**

**Report and financial statements  
for the year ended**

**31 MARCH 2016**



# **PIEMINISTER LIMITED**

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# **PIEMINISTER LIMITED**

## **DIRECTORS AND ADVISORS**

### **Directors**

Tristan Hogg  
Jonathan Simon  
Gonzalo Trujillo  
Simon Turner

### **Secretary**

Gonzalo Trujillo

### **Registered office**

Charlton Road  
Brentry  
Bristol  
BS10 6NF

### **Bankers**

HSBC Bank Plc  
Bristol Commercial Centre  
3 Temple Quay  
Bristol  
BS1 6DZ

### **Auditors**

Nexia Smith & Williamson  
Chartered Accountants  
Statutory Auditor  
Portwall Place  
Portwall Lane  
Bristol  
BS1 6NA

### **Solicitors**

Clarke Willmott  
1 Georges Square  
Bath Street  
Bristol  
BS1 6BA

### **Company's registered number**

04638465

# PIEMINISTER LIMITED

## STRATEGIC REPORT

The Directors present the Strategic Report for the year ended 31 March 2016.

### Principal activities

Pieminister Limited manufactures, distributes and retails gourmet pies and other fantastic branded products. The Company retails its products across the country through pieminister restaurants, foodservice partners and selected retailers.

### Business Review

The Directors are pleased to report that in the financial year to 31 March 2016 sales revenues grew by 17% to £10,749k (2015: £9,197k), growth over last year has once again been driven by growth in our strategic channels which include our own retail outlets and branded outlets operated by our foodservice partners.

The strategic focus on our retail channel has been a key factor driving the increased revenues with new outlets in Leeds, Nottingham and Bristol delivering incremental revenues during the year. We continue to develop the restaurant property pipeline to deliver more outlets in 2016 and maintain a strong focus on improving margins in the context of competition in the fast casual dining sector and high real estate costs. We have also been focusing on developing strategic relationships with key partners in the foodservice industry which has resulted in branded outlets in universities and a number of pub groups around the country.

In addition to delivering ongoing innovation for our restaurant business, we have developed a premium gluten free pie range. The products have already won top awards and are being sold in independent retailers across the country and we are confident that there is scope to increase distribution in 2016. Product development will continue to be at the core of our strategy, delivering products that will perfectly complement our core range of pies and we will continue to utilise our unique position of direct contact with consumers to become the leader in pie innovation with a target of 100% innovation launch success rate.

The strength of the brand continues to accelerate; this has been aided by the opening of new stores and extended distribution within our wholesale channels. Following our Cattle Drive and Buy one, get one Tree campaigns, we have maintained our strong commitment to CSR and delivered 'Little acts of Pie-ness', where we donated more than ten thousand pies to numerous charities (events) so they can raise money and make a significant difference in the areas that they operate.

The excellent growth in sales revenues has resulted in a profit before tax of £315k (2015: £99k) and the Directors are confident that the improvement in performance will continue into the next financial year and beyond.

The liquidity and cash position remained strong at 31 March 2016 the company had cash of £801k (2015: £699k).

### Key performance indicators

The Directors monitor a number of financial and non-financial performance indicators to assess the sustainable performance of the business, they include but are not restricted to sales growth, EBITDA performance, cash and liquidity and return on capital invested. These parameters are monitored and benchmarked against other companies in the sector. The Directors are satisfied with the performance of the company during the year.

### Future developments

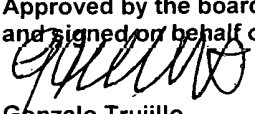
The company strategy continues to be to develop a strong brand presence in both retail and food service channels and to continue to deliver the best pie experience in the market. The Directors are delighted with steps taken to strengthen the organisation and have full confidence in its ability to execute the strategy; they will continue to support investment in its products, brand, management and systems.

### Principal risks & uncertainties

Whilst mindful of the potential for some economic uncertainty in the months ahead, we believe that the current economic environment presents significant opportunities and are confident in our strategy and the actions we are taking to grow a strong and sustainable business. The Directors consider increases in ingredient cost prices a key risk; this risk is mitigated through continually evaluating the supply chain to achieve the optimal cost whilst maintaining the highest quality standards. Pieminister continues to develop a business that works across multiple sales channels and the Directors believe that this mitigates risks associated with reliance on individual customers.

Details of the company's financial instruments and its policies with regard to financial risk management are disclosed in Note 18 of the financial statements.

Approved by the board of directors  
and signed on behalf of the board by

  
Gonzalo Trujillo  
Director  
25 August 2016

# **PIEMINISTER LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the financial statements for the year ended 31 March 2016.

### **Results & dividends**

During the year sales increased to £10,749k (2015: £9,197k) and the company made a profit before tax of £315k (2015: £99k).

During the year the Directors paid a dividend of £38k (2015: £nil).

### **Directors**

The directors who served the company during the year are those set out on page 2.

### **Disclosure of information to the auditors**

In the case of each person who was a director at the time this report was approved:

- so far as that director was aware there was no relevant available information of which the company's auditors were unaware; and
- that director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditors were aware of that information.

### **Auditors**

A resolution to re-appoint Nexia Smith & Williamson as auditors will be proposed at the next Annual General Meeting.

**Approved by the board of directors  
and signed on behalf of the board**



**Gonzalo Trujillo**  
Director  
25 August 2016

# PIEMINISTER LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

# PIEMINISTER LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PIEMINISTER LIMITED

We have audited the financial statements of Pieminister Limited for the year ended 31 March 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

### Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

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

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



Jonathan Talbot  
Senior Statutory Auditor, for and on behalf of  
**Nexia Smith & Williamson**  
Statutory Auditor  
Chartered Accountants

Portwall Place  
Portwall Lane  
Bristol  
BS1 6NA

25 August 2016

# PIEMINISTER LIMITED

## STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 March 2016

	Notes	2016 £000's	2015 £000's
Revenue		10,749	9,197
Cost of sales		(8,140)	(7,047)
<b>Gross profit</b>		<b>2,609</b>	<b>2,150</b>
Administrative expenses		(2,288)	(2,049)
<b>Operating profit</b>	<b>2</b>	<b>321</b>	<b>101</b>
Finance costs	<b>5</b>	(7)	(2)
Investment revenues	<b>5</b>	1	-
<b>Profit before taxation</b>		<b>315</b>	<b>99</b>
Taxation	<b>6</b>	(29)	(18)
<b>Total comprehensive income for the year</b>		<b>286</b>	<b>81</b>




# PIEMINISTER LIMITED

## STATEMENT OF FINANCIAL POSITION as at 31 March 2016

	Notes	2016 £000's	2015 £000's
<b>Non-current assets</b>			
Property, plant and equipment	7	1,278	595
Investments in subsidiaries	8	-	-
<b>Total non-current assets</b>		<u>1,278</u>	<u>595</u>
<b>Current assets</b>			
Inventories	9	339	248
Trade and other receivables	10	1,138	1,128
Current income tax asset	6	-	44
Cash and cash equivalents	11	801	699
<b>Total current assets</b>		<u>2,278</u>	<u>2,119</u>
<b>Total assets</b>		<u>3,556</u>	<u>2,714</u>
<b>Equity</b>			
Share capital	14	4	4
Share premium account	14	746	746
Capital redemption reserve		-	-
Retained earnings		702	500
<b>Total equity</b>		<u>1,452</u>	<u>1,250</u>
<b>Non-current liabilities</b>			
Financial liabilities – borrowings	12	157	29
Deferred tax liability	6	79	63
<b>Total non-current liabilities</b>		<u>236</u>	<u>92</u>
<b>Current liabilities</b>			
Financial liabilities – borrowings	12	81	27
Income tax liability	6	11	-
Trade and other payables	13	1,776	1,345
<b>Total current liabilities</b>		<u>1,868</u>	<u>1,372</u>
<b>Total equity and liabilities</b>		<u>3,556</u>	<u>2,714</u>

The financial statements were approved by the Board of Directors on 25 August 2016 and were signed on its behalf by:



Gonzalo Trujillo  
Director

Company registration number: 04638465

# PIEMINISTER LIMITED

## STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2016

	Share capital £000's	Capital redemption reserve £000's	Share premium £000's	Retained earnings £000's	Total equity £000's
Balance at 1 April 2014	4	-	746	419	1,169
Profit for the year	-	-	-	81	81
Balance at 31 March 2015	4	-	746	500	1,250
Dividends	-	-	-	(38 )	(38 )
Share redemption (note 14)	-	-	-	(46 )	(46 )
Profit for the year	-	-	-	286	286
Balance at 31 March 2016	4	-	746	702	1,452

# PIEMINISTER LIMITED

## STATEMENT OF CASH FLOWS for the year ended 31 March 2016

	Notes	2016 £000's	2015 £000's
<b>Net cash flow from operating activities</b>	15	1,003	138
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment (PPE)		(1,002 )	(197 )
Proceeds from disposal of property, plant and equipment		5	4
<b>Net cash used in investing activities</b>		(997 )	(193 )
<b>Cash flows from financing activities</b>			
New borrowings		225	-
Repayments of borrowings		(45 )	(24 )
Dividends		(38 )	-
Purchase of own shares		(46 )	-
<b>Net cash inflow / (outflow) from financing activities</b>		96	(24 )
<b>Net movement in cash and cash equivalents</b>		102	(79 )
Cash and cash equivalents at beginning of year		699	778
<b>Cash and cash equivalents at end of year</b>	11	801	699

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

### 1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period covered by these financial statements.

#### Basis of preparation

Pieminister Limited is a company incorporated in the United Kingdom.

The financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union applied in accordance with the provisions of the Companies Act 2006.

#### Going Concern

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facility.

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

#### Consolidation

Consolidated accounts have not been prepared on the basis that the subsidiary is not material for the purposes of giving a true and fair view in accordance with the provisions of Section 405 of the Companies Act 2006.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and VAT.

Revenues from sales of goods are recognised when goods are delivered and title has passed.

#### Foreign currency

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each year end date, monetary assets and liabilities that are denominated in foreign currencies are re-translated at the rates prevailing at the year-end date.

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

### 1 Accounting policies (continued)

#### Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the year end.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each year end and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current assets and liabilities on a net basis.

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

### 1 Accounting policies (continued)

#### Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold improvements	-	over the term of the lease.
Plant and equipment	-	10% - 20%
Fixtures and fittings	-	33%
Office equipment	-	33%
Motor vehicles	-	33%

#### Investment in subsidiaries

Investments in subsidiaries are stated at cost less any provision for impairment.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost 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. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

Trade and other receivables are measured on initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due. The amount of any provision is recognised in the statement of comprehensive income.

Cash and cash equivalents comprise cash held by the company and short-term bank deposits with an original maturity of three months or less.

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans are initially recorded at the fair value of proceeds received, net of direct issue costs and subsequently at their amortised cost. Finance costs are accounted for in the statement of comprehensive income using the effective interest method.

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

### 1 Accounting policies (continued)

#### **Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key sources of estimation uncertainty are considered to be the value of provisions against the book value of inventories and receivables.

Note 10 explains how the impairment provision for receivables is assessed.

A provision against inventories is recognised where the realisable value is considered lower than the cost price.

#### **New and amended standards which are not effective for the current period.**

A number of new standards, and amendments to standards and Interpretations were issued during the year but are not currently effective. The directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements.

#### **New and amended standards which became effective during the year**

There were a number of amendments to standards, but none of these had a material impact on the Group in the current period.

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

<b>2 Operating profit for the year</b> is stated after charging/(crediting):	<b>2016</b> <b>£000's</b>	<b>2015</b> <b>£000's</b>
Cost of inventories recognised as an expense	3,637	3,152
Depreciation of property, plant and equipment	319	214
Staff costs (see note 4)	3,835	3,231
Operating lease rentals	333	262
Profit on disposal of fixed assets	(5)	-
	<hr/>	<hr/>

<b>3 Auditors remuneration</b>	<b>2016</b> <b>£000's</b>	<b>2015</b> <b>£000's</b>
Fees payable to the company's auditor for the audit of the annual financial statements	14	10
Other services relating to taxation	7	9
	<hr/>	<hr/>

### 4 Staff costs

The average number of persons, including executive directors, was:

	<b>2016</b> <b>Number</b>	<b>2015</b> <b>Number</b>
Production	59	54
Selling and distribution	103	84
Administration	24	24
	<hr/>	<hr/>
	186	162
	<hr/>	<hr/>

	<b>2016</b> <b>£000's</b>	<b>2015</b> <b>£000's</b>
Staff costs for the above persons were:		
Wages and salaries	3,557	3,014
Social security costs	253	201
Pension costs	25	16
	<hr/>	<hr/>
	3,835	3,231
	<hr/>	<hr/>



# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

### 4 Staff costs (continued)

	2016	2015
	£000's	£000's
Directors' emoluments:		
Emoluments	150	151
Social security costs	18	20
Pension contributions	5	4
	<hr/>	<hr/>
Aggregate emoluments	173	175
	<hr/>	<hr/>

During the year non-executive directors invoiced the company director fees of £56k (2015: £33k). The balance owing by the company at 31 March 2016 was £2k (2015: £6k).

The directors are considered to be the only key management personnel. The above aggregate emoluments represent short-term employee benefits payable to key management personnel, after inclusion of employers' national insurance contributions of £18k (2015: £20k). No other benefits or share based payments were payable or accruing to key management personnel during the current or comparative year.

### 5 Finance costs and investment revenues

	2016 £000's	2015 £000's
Interest payable on bank loans and overdrafts	7	2
	<hr/>	<hr/>
	7	2
	<hr/>	<hr/>
Interest receivable	1	-
	<hr/>	<hr/>
	1	-
	<hr/>	<hr/>

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

6 Taxation	2016 £000's	2015 £000's
<b>(a) Charge for the year</b>		
Current income tax:		
UK corporation tax at 20% (2015: 20%)	24	22
Adjustments in respect of prior periods	(11)	(17)
	<hr/>	<hr/>
Total current tax charge	13	5
Deferred income tax:		
Origination and reversal of timing differences	30	13
Adjustments in respect of prior periods	(8)	
Effect of tax rate change on opening balance	(6)	
	<hr/>	<hr/>
Total deferred tax charge	16	13
	<hr/>	<hr/>
<b>Tax on profit on ordinary activities</b>	<b>29</b>	<b>18</b>
	<hr/>	<hr/>
<b>(b) Provision for deferred tax</b>		
Accelerated capital allowances	85	67
Short term timing differences	(6)	(3)
	<hr/>	<hr/>
Total deferred tax liability	79	63
	<hr/>	<hr/>
Movement in Provision		
Provision at start of period	63	50
Deferred tax charged in the P&L account for the period	16	13
	<hr/>	<hr/>
<b>Provision at end of period</b>	<b>79</b>	<b>63</b>
	<hr/>	<hr/>
<b>Corporation tax liability / (debtor)</b>	<b>11</b>	<b>(44)</b>
	<hr/>	<hr/>

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

6 Taxation (continued)	2016 £000's	2015 £000's
<b>(c) Factors affecting tax expense</b>		
Profit on ordinary activities before taxation	315	99
Tax on profit on ordinary activities at standard CT rate of tax of 20% (2015: 20%)	63	20
Effects of:		
Permanent differences on fixed assets	13	12
Effect of tax rate change	(9)	-
Expenses not deductible for taxation	7	4
Adjustments to tax charge in respect of prior periods	(19)	(18)
Additional deduction for R&D expenditure	(26)	-
<b>Total tax charge for the period</b>	<b>29</b>	<b>18</b>

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

<b>7 Property, plant and equipment</b>	<b>Leasehold improvements £000's</b>	<b>Plant &amp; equipment £000's</b>	<b>Other assets £000's</b>	<b>Total £000's</b>
<b>Cost</b>				
At 1 April 2014	499	556	372	1,427
Additions	10	121	66	197
Disposals	(28)	-	(10)	(38)
At 1 April 2015	481	677	428	1,586
Additions	646	66	290	1,002
Disposals	-	-	(35)	(35)
At 31 March 2016	1,127	743	683	2,553
<b>Depreciation</b>				
At 1 April 2014	209	402	201	812
Charge for the year	83	48	83	214
Disposal	(28)	-	(7)	(35)
At 1 April 2015	264	450	277	991
Charge for the year	134	60	125	319
Disposals	-	-	(35)	(35)
At 31 March 2016	398	510	367	1,275
<b>Net book amount</b>				
At 31 March 2016	729	233	316	1,278
At 31 March 2015	217	227	151	595

Other assets comprise fixtures & fittings, office equipment and motor vehicles.

### Capital Commitments

	<b>2016 £000's</b>	<b>2015 £000's</b>
Contracted but not provided for	-	223

## PIEMINISTER LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

#### 8 Investment in subsidiaries

The company has an investment in an unimpaired subsidiary undertaking of £2. This represents an investment in the following company

Name of company	Country of incorporation	Nature of business	% voting rights and shares held
John Hampden Foods Limited	UK	Dormant entity	100% of ordinary shares

#### 9 Inventories

	2016 £000's	2015 £000's
Raw materials and consumables	154	140
Finished goods	185	108
	<hr/>	<hr/>
	339	248
	<hr/>	<hr/>

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

10 Trade and other receivables	2016 £000's	2015 £000's
Trade receivables	868	807
Less provision for impairment	(7)	(14)
	<hr/>	<hr/>
Trade receivables – net	861	793
Prepayments and accrued income	258	311
VAT recoverable	14	19
Other receivables	5	5
	<hr/>	<hr/>
	1,138	1,128
	<hr/>	<hr/>

Trade receivables constitute the only financial assets within the category “Loans and receivables” as defined by IAS 39.

Trade receivables are non-interest bearing and the average credit period on sales of goods is 30 – 90 days. Due to their short maturities, the fair value of trade receivables approximates to their book value.

A provision for impairment of trade receivables is established when there is evidence that the company will not be able to collect all amounts due according to the original terms. The company considers factors such as default or delinquency in payment, significant financial difficulties of the debtor and the probability that the debtor will enter bankruptcy in deciding whether the trade receivable is impaired.

Provisions for impairment of trade receivables	2016 £000's	2015 £000's
At 1 April	14	31
Charge for the year, net of recoveries	(1)	(1)
Uncollected amounts written off	(6)	(16)
	<hr/>	<hr/>
At 31 March	7	14
	<hr/>	<hr/>

As at 31 March 2016, trade receivables of £7k (2015: £14k) were impaired. As at 31 March 2016 trade receivables of £39k (2015: £108k) were past due but not impaired. The ageing analysis of these trade receivables is as follows:

	2016 £000's	2015 £000's
Up to one month past due	21	47
One to three months past due	9	24
Over three months past due	9	37
	<hr/>	<hr/>
	39	108
	<hr/>	<hr/>

The carrying value of trade receivables of £861k (2015: £793k) represents the maximum exposure to credit risk.

Other receivables do not contain impaired assets.

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

### 11 Cash and cash equivalents

	2016 £000's	2015 £000's
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Cash at bank and in hand	801	699
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### 12 Financial liabilities – borrowings

	2016 £000's	2015 £000's
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#### Current liabilities

Bank loans	81	27
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	81	27
--	----	----

#### Non-current liabilities

Bank loans	157	29
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	157	29
--	-----	----

Borrowings are repayable as follows:

Instalments within one year	81	27
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Instalments within one to three years	157	29
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	238	56
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	2016 %	2015 %
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The weighted average interest rates were as follows:

Bank loans	3.25%	3.5%
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The bank holds a fixed and floating charge over the assets of the company and a debenture over all present freehold and leasehold property. A composite guarantee exists between Pieminister Charlton Road LLP and Pieminister Limited.

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

13 Trade and other payables	2016 £000's	2015 £000's
Trade payables	1,165	947
Other tax and social security payable	70	50
Accruals and deferred income	446	341
Other payables	95	7
	<hr/>	<hr/>
	1,776	1,345
	<hr/>	<hr/>

The directors consider that the carrying amount of trade and other payables approximates to their fair value.

14	Called up share capital	2016 £000's	2015 £000's
	<b>Authorised</b>		
	200,000 ordinary shares of £0.05 each	10	10
	<b>Allotted, Called Up and Fully Paid</b>	No of shares	Share Capital £
			Share premium £
	At 31 March 2016	82,059	4
			746
	At 31 March 2015	82,903	4
			746

On 1 February 2016 a total of 844 ordinary shares with a nominal value of £0.05 were re-purchased for cancellation. This transaction represented 1% of the issued share capital.



# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

### 15 Cash flow from operations

	2016 £000's	2015 £000's
Operating profit	321	101
Depreciation charge	319	214
Increase in inventories	(91 )	(21 )
Profit on sale of fixed asset	(5 )	-
Increase in trade and other receivables	(8 )	(97 )
Increase / (decrease) in trade and other payables	435	(55 )
	<hr/>	<hr/>
<b>Cash inflow from operations</b>	<b>971</b>	<b>142</b>
Interest paid	(7 )	(2 )
Tax received / (paid)	39	(2 )
	<hr/>	<hr/>
	<b>1,003</b>	<b>138</b>
	<hr/>	<hr/>

### 16 Operating lease commitments

At the year-end date the company has outstanding commitments under non-cancellable operating leases, which fall due as follows:

Due:	2016 £000's	2015 £000's
Within one year	390	168
Within two to five years	1,117	242
Over five years	145	59
	<hr/>	<hr/>
	<b>1,652</b>	<b>469</b>
	<hr/>	<hr/>

## PIEMINISTER LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

#### 17 Related party transactions

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the company. In the opinion of the Board, the company's key management are the directors of Pieminister Limited. The directors consider there is no one controlling party.

During the year to 31 March 2016 the company paid rent of £148k (2015: £148k) in respect of a property owned by Pieminister Charlton Road LLP, a company controlled by the directors, and Pieminister Executive Pension Scheme of which the directors are trustees and beneficiaries. The balance owing by the company at 31 March 2016 was £nil (2015: £nil).

During the year to 31 March 2016 the company received fees from Pieminister Charlton Road LLP and Pieminister Executive Pension Scheme of £12k (2015: £12k). The balance owed to the company at 31 March 2016 was £nil (2015: £nil).

The spouse of a director of the company provided services to the company during the year of £38k (2015: £40k). The balance owing by the company at 31 March 2016 was £3k (2015: £3k).

During the year to 31 March 2016 the company paid software support and development fees to Agilebase Limited, an entity with a common director, of £9k (2015: £7k). The balance owing by the company at 31 March 2016 was £nil (2015: £nil).

In January 2016 the company acquired a lease for a retail premises by assignment from Fuego Quay Limited, an entity with a common director. The company paid £75k (2015: £nil) for the lease assignment. The balance owing by the company at 31 March 2016 was £nil (2015: £nil).

During the year to 31 March 2016 the company purchased goods from Orchard Pig Limited, an entity with a common director, of £15k (2015: £nil). The balance owing by the company at 31 March 2016 was £nil (2015: £nil).

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

### 18 Financial instruments

The company's financial instruments comprise cash and cash equivalents, borrowings, and items such as trade payables and trade receivables which arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

#### *Capital Management*

The capital structure of the company consists of debt, which includes borrowings, cash and cash equivalents and equity; including share capital and other reserves. The company's policy is to maintain a strong capital base. The company finances its operations through retained earnings, bank borrowings and management of working capital. It is not the company's policy to engage in speculative activities or trade in complex financial instruments.

The following table summarises the capital of the Company:

	2016 £000's	2015 £000's
Cash and cash equivalents	801	699
Borrowings	(238)	(56 )
Net cash	563	643
Equity	1452	1,250

# PIEMINISTER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016 (continued)

### 18 Financial instruments (continued)

#### *Credit risk*

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the board.

The company's maximum exposure to credit risk equates to the carrying value of its trade receivables together with its cash and cash equivalents.

#### *Liquidity risk*

The company monitors its short-term debt finance to ensure the company has sufficient available funds for operations and planned expansions and would consider long term debt finance if required.

#### *Interest rate risk*

The company has interest bearing assets. Interest bearing assets include only cash balances which earn interest at variable rates.

The company's cash and cash equivalents earned interest at a rate of 0.1% during the year. The average interest rate during the year was 0.1% (2015: 0.1%).

Details of the terms of the company's borrowings at 31 March 2016 are disclosed in note 12.

The company is exposed to changes in interest rates on its bank borrowings which incur interest at a fixed margin above base rate. A 1% increase/decrease in the interest rate would decrease/increase profit by £2k (2015: £1k).

The table below summarises the Company's financial liabilities as at 31 March 2016 and 31 March 2015 based on contractual undiscounted payments:

Year ending 31 March 2016	Within 1 year £000's	1 – 5 Years £000's	Total £000's
Bank borrowings	81	157	238
Trade and other payables	1,776	-	1,776
<b>Total</b>	<b>1,857</b>	<b>157</b>	<b>2,014</b>

Year ending 31 March 2015	Within 1 year £000's	1 – 5 Years £000's	Total £000's
Bank borrowings	27	29	56
Trade and other payables	1,345	-	1,345
<b>Total</b>	<b>1,372</b>	<b>29</b>	<b>1,401</b>