

**Edward Billington and Son Limited
and Subsidiaries**

Annual Report and Financial Statements

For the 52 week period ended 30th August 2020

Company Registration Number 59883



Edward Billington and Son Limited and Subsidiaries

Annual Report and Financial Statements

For the 52 week period ended 30th August 2020

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Edward Billington and Son Limited and Subsidiaries

Strategic Report

For the 52 week period ended 30th August 2020

Principal activities and business review

The principal activities of the group during the period were the manufacture, merchandising and distribution of food, animal feed and other agricultural products and the trading of agricultural commodities.

The key financial and other performance indicators during the period in respect of continuing operations were as follows:

	52 week period ended 30th August 2020 £'000	52 week period ended 1st September 2019 £'000
Turnover	319,728	361,754
Operating profit (before exceptional items)	6,369	9,962
Exceptional items	(4,795)	(753)
Profit on ordinary activities before taxation	2,712	10,167
Shareholders' funds (excluding non-controlling interests)	103,760	104,784
Current assets as % current liabilities	149%	142%
Average number of employees	1,697	1,814

The major trading businesses in the period ended 30th August 2020 are in two divisions.

UK Food

The year started well for the UK Food businesses and during the first half the businesses performed in line with expectation. The second half of the financial year was impacted by Covid-19 in our foodservice businesses, whilst our retail focussed activities performed better than expectation.

- English Provender. Retail sales were up year on year, whilst B2B sales were impacted by a fall in food to go sales in the supermarkets. Cost were re-aligned and the business performed well.
- Billington Foodservice. Sales volumes were affected by Covid-19. The business acted speedily to flex its cost base to the new volumes and remains committed to the foodservice sector and its key customer partnerships.
- TSC Foods. Retail volumes were positive although were offset by reductions in foodservice volumes due to the Covid-19 pandemic. Costs have also been re-aligned in TSC.

Agriculture

- Criddle and Co. The business operated similarly to the previous year helping its customers take advantage of market opportunities.
- Carrs Billington Agriculture. The business performed well focussing on UK farmers, ensuring they are well serviced and supported.

Summary

The Covid-19 pandemic brought challenges for most businesses this year. This brought both trading challenges and exceptional costs including restructuring costs. The actions taken at an early stage included re-alignment of the cost base and working capital reductions. As a result, our debt reduced by £9.8m year on year to £17.4m and the Directors believe that the group remains in a robust position committed to its customers.

Edward Billington and Son Limited and Subsidiaries

Strategic Report

For the 52 week period ended 30th August 2020

Principal risks and uncertainties

The directors meet regularly to discuss the risks facing the group. The principal risks and uncertainties facing the group are broadly competitive and legislative risks:

Competitive and Consumer Risks

The group operates in a competitive environment which is driven by customer and consumer tastes. Continual product innovation is conducted by the group to offer its customers high quality premium products that meet consumer tastes and requirements. The group has made appropriate contingency plans to mitigate the effects of Brexit.

Legislative Risks

The group's operations are governed by UK and EU legislative requirements on food and animal feed production, which includes food safety and hygiene standards that must be met to comply with the law. Furthermore, many of the group's customers have their own production, hygiene and safety standards in place. The group strives to be a leader in its production, hygiene and safety standards and procedures to ensure compliance with relevant laws and regulations and to meet customer expectations.

Commercial Risks

The group has established a risk and financial management framework to monitor and limit normal commercial risks such as credit control, counter party exposure, customer concentration and cost control, in order to protect the group from such risks.

Use of Derivatives

The group's activities include animal feed commodity trading and it enters into fixed price contracts to be taken up at a future date. The majority of the price risk associated with such trading is mitigated by matching sales and purchase contracts. The directors closely monitor current cost price movements in order to manage the risk.

The group also uses forward foreign currency contracts and forward purchase contracts to reduce exposure to the variability of foreign exchange rates or commodity prices by fixing the rate of any material payments in a foreign currency or providing certainty to raw material prices.

Group risk committee

The group operates a committee which is chaired by David Marshall (independent non-executive director), the remit is to highlight key risk areas in the group to the main board and oversee any key mitigating actions. During the year the group continued the programme of internal audit to focus on maintaining key controls within the businesses.

Employees

The group has continued to follow the requirements of the Health & Safety at Work Act with concern for the welfare of its employees.

The group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.

The group provides employees with information about the company through internal media methods and newsletters.

Policy on payment of creditors

Creditors are paid in accordance with terms of business agreed with suppliers.

Given the nature of the company's activities and agreed terms with suppliers, the directors have not calculated an average creditor day figure as a whole on the basis that such a statement would not be beneficial.

Edward Billington and Son Limited and Subsidiaries

Strategic Report

For the 52 week period ended 30th August 2020

Section 172 (1) Statement

The Board of directors of Edward Billington and Son Limited consider, both individually and collectively, that they have acted in ways that they believe in good faith to be most likely to promote the success of the company for the benefit of its shareholders as a whole in the decisions they made during the period ended 30th August 2020.

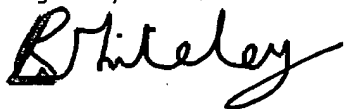
We recognise our people as our most important asset and aim to be a responsible employer. The health, safety and wellbeing of our people is of the highest importance. Ensuring a safe working environment is paramount in our day to day operations.

Customers are at the heart of everything we do. From our programmes of engagement and support for UK farmers in our agriculture businesses to our passion for food and food development in partnership with our retail, foodservice and B2B partners.

We seek to develop long term partnerships with our suppliers which are mutually beneficial and ultimately deliver our customer value and a high quality product.

As the Board of Directors, our intention is always to behave responsibly and to ensure that the business operates in a responsible manner, adhering to high standards of business conduct and good governance. We recognise that the maintenance of our good reputation, founded on responsible behaviour, is fundamental to our continuing ability to achieve profitable growth for the benefit of all our stakeholders in the future.

Signed by order of the Board



Lloyd Whiteley
Director

Cunard Building
Liverpool L3 1EL

Approved by the Board of Directors on 13 January 2021

Edward Billington and Son Limited and Subsidiaries

Directors' Report

For the 52 week period ended 30th August 2020

The directors present their report to the shareholders together with the audited financial statements for the period ended 30th August 2020.

Profits, dividends and retentions

The results for the period are shown on the Consolidated Profit and Loss Account on page 12.

The profit on ordinary activities of the group, before taxation, and minority interests, amounts to £2,712,345 (2019 £10,166,804).

Dividends of 78.90 pence per share (2019 111.10 pence per share) are proposed for approval at the forthcoming Annual General Meeting. These are not shown as a deduction against reserves in these financial statements, but instead will fall into the 29th August 2021 financial statements when they are paid. Dividends of £2,029,927 which were proposed in the previous financial statements have been paid during the period.

Directors and directors' interests

The members of the Board of Directors at 30th August 2020, together with details of their interests in the share capital of Edward Billington and Son Limited, are shown below:

	Ordinary shares of £1 each		Preferred ordinary shares of £1 each	
	2020	2019	2020	2019
G.M. Blake	2,800	2,800	13,041	13,041
S.G. Hughes	600	600	7,322	5,822
A.S. King	-	-	5,000	4,250
D. Marshall	99	99	2,510	1,760
J.A. Viner	250	250	750	750
L.L.R. Whiteley	118,374	118,374	26,345	26,345

The holding of ordinary shares of Mr. L.L.R. Whiteley stated above includes 31,200 2007 'B' ordinary shares.

The holding of preferred ordinary shares stated above includes the total of preferred and 2014 preferred ordinary shares.

The holding of preferred ordinary shares of Mr. G.M. Blake stated above includes 7,150 (2019 7,150) preferred ordinary shares that are held in a self administered pension scheme.

The holding of preferred ordinary shares of Mr. S.G. Hughes stated above includes 4,322 (2019 4,322) preferred ordinary shares that are held in a self administered pension scheme.

Mr. G.M. Blake and Mr. A.S. King retire by rotation and, being eligible, offer themselves for re-election.

Ms. A. Kemp resigned as a director on 30th April 2020 and Mr. J.W.N. Taylor resigned as a director on 11th August 2020.

Strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Financial Statements and Reports) Regulations 2008 is noted in the Strategic Report on pages 1 to 3.

Edward Billington and Son Limited and Subsidiaries

Directors' Report

For the 52 week period ended 30th August 2020 [Continued]

Statement of Corporate Governance

The Board of Directors confirm that during the period ended 30th August 2020, the group has been in full compliance with all clauses of the UK Corporate Governance Code 2018 in line with the Wates Corporate Governance Principles.

Purpose and Leadership

The Directors ensure the group operates with a clear sense of purpose by communicating their values with employees and stakeholders. Strategic decisions are taken to achieve long-term success within the group.

Board Composition

Board members have a diverse range of skills, expertise and experience. The Non-Executive Directors demonstrate independent challenge to decisions and monitoring of performance.

Directors' Responsibilities

The Board and individual Directors have a clear understanding of their accountability and responsibilities. Policies and procedures are in place to ensure effective decision-making and independent challenge. The Board has delegated governance responsibilities to its Risk & Audit and Remuneration Committees. These committees include Non-Executive Directors who provide independent challenge and support effective decision making.

Opportunity and Risk

The Board meets regularly to review both short and long term strategic opportunities. The Risk & Audit Committee supports the Board in assessing risk and ensuring internal control systems are maintained.

Remuneration

The Remuneration Committee are the approved body that is responsible for setting the Executive Directors' salary, bonus, long-term incentive plan and other benefits as well as working with the Board to address any remuneration related issues that arise. For more information see the Directors' Remuneration Report on pages 8 to 9.

Stakeholder Relationships and Engagement

For more information on stakeholder relationships and engagement, see the Section 172 (1) statement on page 3.

Streamlined Energy and Carbon Reporting

The SECR disclosure presents our carbon footprint in the United Kingdom covering Scope 1 and 2, an appropriate intensity metric, the total energy use of electricity, gas and transport fuels and a summary of the energy efficiency actions that have taken place during the relevant financial year.

	Period ended 30th August 2020
Energy Consumption used to calculate emissions (kWh)	112,881,323
Emission from consumption of gas tCO ₂ e (scope 1)	10,831
Emission from Combustion of fuel for transport purposes tCO ₂ (scope 1)	2,872
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel tCO ₂ e (scope 3)	-
Emissions from purchased electricity tCO ₂ e (scope 2, location based)	10,798
Emission from purchased electricity tCO ₂ e (scope 2, market based)	-
Total gross tCO ₂ e based on above	24,501
Intensity ratio (KgCO ₂ e/sales Revenue £)	0.0766

Edward Billington and Son Limited and Subsidiaries

Directors' Report

For the 52 week period ended 30th August 2020 [Continued]

Energy Efficiency Action Summary

Period ended 30th August 2020

The group are working hard to achieve direct savings in energy and associated carbon emissions, this has been done through operational and technological improvements, including:

- New grinder commissioned at one of our sites, contributing to a reduction in carbon emissions of at least 1kg/tonne.
- LED lighting has been sourced and installed across TSC Scunthorpe factory.
- Introduction of new video conferencing system, reducing travelling of staff and the carbon footprint of the business.
- Relaunch of our CSR strategy (The Billington Way), creation of the environmental committee which is working towards setting the group targets for the next 10 years.

Methodology Notes

Reporting Period	2nd September 2019 - 30th August 2020.
Boundary (consolidation approach)	Operational approach.
Alignment with financial reporting	SECR disclosure has been prepared in line with Edward Billington and Son's annual accounts made up to the period ended 30th August 2020.
Reporting Method	GHG Emissions reporting are in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard.
Emissions Factor Source	DEFRA, 2019 for all emission factors: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019
Calculation method	Activity Data x Emission Factor = GHG emissions.
Other relevant information on calculation	Transport fuel have been collected in kWh and converted into GHG emissions using the calculation method mentioned above.
Reason for the intensity measurement choice	The chosen metric expresses our business performance. Based on the nature of our business, as well as following the recommendations of the SECR legislation we chose sales revenue as it reflects the growth in our business performance.

Edward Billington and Son Limited and Subsidiaries

Directors' Report

For the 52 week period ended 30th August 2020 [Continued]

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 period. 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 the group and of the profit or loss of the group 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Charitable donations

The group contributed £100,100 for charitable purposes (2019 £93,625).

Insurance of directors

The company provides insurance for its directors in respect of their duties as directors of the group.

Auditors

Having expressed a willingness to continue in office, a resolution for the appointment of Mitchell Charlesworth LLP will be proposed at the forthcoming Annual General Meeting.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the group's auditor is unaware. Additionally, the directors have taken all steps that they ought to have taken as directors to make themselves aware of all relevant audit information and to establish that the auditor is aware of that information.

By order of the Board



Lloyd Whiteley
Director

Cunard Building
Liverpool L3 1EL

Approved by the Board of Directors on 13 January 2021

Edward Billington and Son Limited and Subsidiaries

Directors' Remuneration Report

For the 52 week period ended 30th August 2020

Dear Shareholder

I am pleased to present the Directors' Remuneration Report for the 52 week period ended 30th August 2020.

The Remuneration Committee (Remco) are the approved body that is responsible for setting the executive directors' salary, bonus, long-term incentive plan and other benefits as well as working with the board to address any remuneration related issues that come up from time to time. Additionally, the Remco works with the executive team to provide an independent monitor to assist with the setting and approving of the Executives Key Performance Measures. In 2020 the Remco carried out a full appraisal of the market place to ensure all aspects of remuneration are in step with the market and help to deliver the objectives of attracting, rewarding and retaining high calibre individuals to the main board.

The members of the committee during the year were:

Mr. D. Marshall (Chairman of the Remuneration Committee, Company Secretary and Independent Non-Executive Director of Edward Billington and Son Limited)

Mr. C.E.G. Atkins (Independent Shareholder Representative)

Mr J.A. Viner (Independent Non-Executive Director of Edward Billington and Son Limited)

The Group's performance in 2020

After a very promising start to the year, 2020 saw a sudden reduction in profitability for the group when the Covid19 pandemic caused a sharp fall in sales during the second half of the year. This reduction in group profits reduced the remuneration of the Executive Directors as the targets set for profit related bonuses and the long-term incentive plan were not met. The total remuneration for all the Directors reduced by £649,000 to £1,309,000. Individual performance related bonus of £214,000 were awarded during the year.

Remuneration Policy

The guiding principles of the remuneration:

Basic Salary and Benefits

The basic salary of the executives should reflect a competitive salary for businesses of a similar size and marketplace to ensure Edward Billington and Son attract the best talent. This is something that the Remco benchmarked in 2020.

Annual Bonus

The annual bonus is set at a percentage of base salary for each director, where the appropriate percentage is driven by a combination of group profits and the delivery by each director of their Key Performance Indicators (KPI's), which are not necessarily profit related. The KPI's align the actions of the executives to such business critical areas as Corporate Social Responsibility, People Development, Health and Safety and Strategic Planning.

Long-term Incentive Plan

The current long-term incentive plan was launched in September 2016 and accrues value equal to a percentage of base salary over a rolling three-year period for the executive directors. The percentage of salary accrued will be determined by the growth of group profits during that three-year period.

The Remco has discretion to ensure fairness to shareholders and participants and has provision to pay out at the maturity dates for "good leavers" (ill health, disability, retirement, departure in agreement with the Chairman and Remco), but will see payments forfeited for bad leavers. A malus provision to protect the company in the event of serious financial misstatement, miscalculation, or gross misconduct has been provided.

Pensions & Other Benefits

Pensions are paid although certain directors choose to waive this entitlement in return for higher salaries. A conventional benefits package, commensurate with each director's role, is also offered.

Edward Billington and Son Limited and Subsidiaries

Directors' Remuneration Report

For the 52 week period ended 30th August 2020 [Continued]

Remuneration Policy [Continued]

Independent Non-Executive Directors

Independent Non-Executive Directors are paid a fixed salary for an annual contract. No profit sharing bonuses or long-term incentive payments are paid.

David Marshall

David Marshall
Chairman, Remuneration Committee

13 January 2021

Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square . Temple Street . Liverpool . L2 5RH

Independent Auditor's Report to the Members of Edward Billington and Son Limited

Opinion

We have audited the financial statements of Edward Billington and Son Limited and its subsidiaries for the period ended 30th August 2020 which comprise the Consolidated Profit And Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and the parent company's affairs as at 30th August 2020 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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.
-

Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square . Temple Street . Liverpool . L2 5RH

Independent Auditor's Report to the Members of Edward Billington and Son Limited [Continued]

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Mitchell Charlesworth

PHILIP GRIFFITHS FCA
(Senior Statutory Auditor)
For and on behalf of
MITCHELL CHARLESWORTH LLP
Chartered Accountants
Statutory Auditor

13 January 2021

Edward Billington and Son Limited and Subsidiaries

Consolidated Profit and Loss Account

For the 52 week period ended 30th August 2020

	Notes	Total 2020 £'000	Total 2019 £'000
Turnover	3	319,728	361,754
Cost of sales		(274,605)	(305,192)
Gross profit		45,123	56,562
Distribution costs		(16,976)	(18,599)
Administrative expenses		(26,641)	(28,001)
Exceptional item	4	(4,795)	(753)
Other operating income	3	4,863	-
Operating profit	5	1,574	9,209
Share of operating results of associates	12	1,659	2,047
Profit on ordinary activities before interest		3,233	11,256
Net interest paid	7	(521)	(1,089)
Profit on ordinary activities before taxation		2,712	10,167
Taxation	8	(1,520)	(2,735)
Profit for the financial period		1,192	7,432
Profit for the financial period attributable to:			
Owners of the parent		8	6,528
Non-controlling interests	22	1,184	904

The notes on pages 18 to 45 form part of these financial statements.

Dividends amounting to £1,468,534 (2019 £2,051,625) are proposed for the period and are detailed in note 9.

Edward Billington and Son Limited and Subsidiaries

Consolidated Statement of Comprehensive Income

For the 52 week period ended 30th August 2020

	2020 £'000	2019 £'000
Profit for the period	1,192	7,432
Re-measurement (loss)/gain on defined benefit pension plans	1,576	(1,258)
Deferred tax movement associated with defined benefit pension plans	(333)	214
Total comprehensive income for the period	2,435	6,388
Total comprehensive income for the period attributable to:-		
Owners of the parent	939	5,557
Non-controlling interests	1,496	831
	2,435	6,388

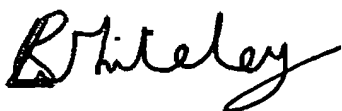
Edward Billington and Son Limited and Subsidiaries

Balance Sheets

As at 30th August 2020

	Notes	Group		Company	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
Fixed assets					
Intangible assets	10	19,288	23,074	198	121
Tangible assets	11	50,908	51,698	315	321
Investments	12	28,416	28,036	72,312	72,398
		98,612	102,808	72,825	72,840
Current assets					
Stocks	14	25,300	26,845	-	-
Debtors	15	52,952	63,334	32,138	27,642
Cash at bank and in hand		5,832	3,728	3,026	2,863
		84,084	93,907	35,164	30,505
Creditors					
Amounts falling due within one year	16	(56,318)	(65,801)	(39,017)	(36,334)
Net current assets		27,766	28,106	(3,853)	(5,829)
Total assets less current liabilities		126,378	130,914	68,972	67,011
Creditors					
Amounts falling due after more than one year	17	(9,832)	(12,639)	(8,465)	(11,493)
Provision for liabilities	19	(3,362)	(2,235)	(143)	-
Net assets excluding pension liabilities		113,184	116,040	60,364	55,518
Defined benefit pension surplus	26	4,427	1,687	976	(185)
		117,611	117,727	61,340	55,333
Capital and reserves					
Called up share capital	20	1,861	1,861	1,861	1,861
Share premium account	21	87	87	87	87
Capital reserves	21	2,776	2,776	644	644
Other reserves	21	(756)	(823)	(756)	(823)
Profit and loss account	21	99,792	100,883	59,504	53,564
		103,760	104,784	61,340	55,333
Non-controlling interests	22	13,851	12,943	-	-
		117,611	117,727	61,340	55,333

Approved by the Board of Directors and authorised for issue on 13 January 2021 and are signed on its behalf by:



Lloyd Whiteley
Director



Gary Blake
Director

The notes on pages 18 to 45 form part of these financial statements.

Company Registration No. 59883

Edward Billington and Son Limited and Subsidiaries

Consolidated Statement of Cash Flows

For the 52 week period ended 30th August 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Cash generated from operations	29	18,609	16,634
Income taxes paid		(1,051)	(1,534)
Interest paid		(525)	(1,070)
Net cash generated from operating activities		17,033	14,030
Cash flows from investing activities			
Purchases of intangible assets		(726)	(429)
Purchases of tangible fixed assets		(3,851)	(6,421)
Proceeds from sale of tangible fixed assets		120	94
Proceeds from sale of investments		120	333
Dividend received from associated undertakings		588	588
Loan to trade investment	28	-	(1,361)
Interest received		246	134
Net cash outflow from investing activities		(3,503)	(7,062)
Cash flows from financing activities			
Repayment of loans		(3,210)	(1,227)
Repayment of finance lease obligations		(774)	(835)
Movement in Employee Benefit Trust		67	(980)
Dividends paid to parent company shareholders		(2,030)	(2,000)
Dividends paid to non controlling interest		(588)	(588)
Net cash outflow from financing activities		(6,535)	(5,630)
Net increase in cash and cash equivalents		6,995	1,338
Cash and cash equivalents at beginning of period		(11,926)	(13,264)
Cash and cash equivalents at end of period		(4,931)	(11,926)
Relating to:			
Cash at bank and in hand		5,832	3,728
Bank overdrafts included in creditors payable within one year		(10,763)	(15,654)
		(4,931)	(11,926)

Edward Billington and Son Limited and Subsidiaries

Consolidated Statement of Changes in Equity

For the 52 week period ended 30th August 2020

	Called up share capital £'000	Share premium account £'000	Capital reserves £'000	Other reserves £'000	Profit and loss account £'000	Amounts attributable to the parent £'000	Non controlling interests £'000	Total £'000
At 2nd September 2018	1,861	87	2,776	157	97,326	102,207	12,700	114,907
Profit for the financial period	-	-	-	-	6,528	6,528	904	7,432
Other comprehensive income	-	-	-	-	(971)	(971)	(73)	(1,044)
Total comprehensive income for the period	-	-	-	-	5,557	5,557	831	6,388
Movement in Employee Benefit Trust	-	-	-	(980)	-	(980)	-	(980)
Dividends paid	-	-	-	-	(2,000)	(2,000)	(588)	(2,588)
At 1st September 2019	1,861	87	2,776	(823)	100,883	104,784	12,943	117,727
Profit for the financial period	-	-	-	-	8	8	1,184	1,192
Other comprehensive income	-	-	-	-	931	931	312	1,243
Total comprehensive income for the period	-	-	-	-	939	939	1,496	2,435
Movement in Employee Benefit Trust	-	-	-	67	-	67	-	67
Dividends paid	-	-	-	-	(2,030)	(2,030)	(588)	(2,618)
At 30th August 2020	1,861	87	2,776	(756)	99,792	103,760	13,851	117,611

Edward Billington and Son Limited and Subsidiaries

Company Statement of Changes in Equity

For the 52 week period ended 30th August 2020

	Called up share capital £'000	Share Premium account £'000	Capital reserves £'000	Other reserves £'000	Profit and loss account £'000	Total £'000
At 2nd September 2018	1,861	87	644	157	40,836	43,585
Profit for the financial period	-	-	-	-	15,624	15,624
Other comprehensive income	-	-	-	-	(896)	(896)
Total comprehensive income for the period	-	-	-	-	14,728	14,728
Movement in Employee Benefit Trust	-	-	-	(980)	-	(980)
Dividends paid	-	-	-	-	(2,000)	(2,000)
At 1st September 2019	1,861	87	644	(823)	53,564	55,333
Profit for the financial period	-	-	-	-	7,363	7,363
Other comprehensive income	-	-	-	-	607	607
Total comprehensive income for the period	-	-	-	-	7,970	7,970
Movement in Employee Benefit Trust	-	-	-	67	-	67
Dividends paid	-	-	-	-	(2,030)	(2,030)
At 30th August 2020	1,861	87	644	(756)	59,504	61,340

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements

For the 52 week period ended 30th August 2020

1 Accounting policies

Company information

Edward Billington and Son Limited is a company limited by shares incorporated in England and Wales. The registered office is 2nd Floor, Cunard Building, Liverpool, Merseyside, L3 1EL.

1.1 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.

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 £'000.

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

1.2 Going concern

The business was impacted, like so many, by the Covid-19 pandemic. The directors swiftly implemented measures to ensure it is well positioned to face future challenges and believe it is well placed to take advantage of future market opportunities.

As such, at the time of approving the financial statements, the directors are satisfied that the group 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.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services 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 and other settlement discounts.

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.

1.4 Intangible fixed assets

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

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Computer software costs are capitalised as intangible assets and written off over their useful lives of between three and ten years.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

1 Accounting policies [Continued]

1.5 Tangible fixed assets

Tangible fixed assets are initially recorded at cost (or deemed cost) and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation of tangible fixed assets, other than freehold land, is calculated to write off the cost of an asset, less its estimated residual value over the useful economic life of that asset as follows:

Freehold and long leasehold buildings	2% to 10% per annum
Short leasehold buildings	10% to 33% per annum
Plant and machinery	10% to 50% per annum
Motor vehicles	14% to 33% per annum

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.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

1 Accounting policies [Continued]

1.7 Investments

Investments in subsidiaries

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the group (its subsidiaries). Control is achieved where the group governs the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

Investments in associates

Investments in associates are recognised initially in the consolidated statement of financial position at the transaction price and subsequently adjusted to reflect the group's share of total comprehensive income and equity of the associate, less any impairment.

Any excess of the cost of acquisition over the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition, although treated as goodwill, is presented as part of the investment in the associate. Amortisation is charged so as to allocate the cost of goodwill over its estimated useful life, using the straight-line method. Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

Investments in associates are accounted for at cost less impairment in the individual financial statements.

Other trade investments

Investments in other unquoted companies are accounted for at costs less any provision for impairment.

Investments previously recognised as Associates are accounted for at 'deemed cost' being the carrying value at the point significant influence ceased. At each reporting date, an assessment is made for impairment.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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.

1.9 Financial instruments

The group 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 in the statement of financial position when the group or 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.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

1 Accounting policies [Continued]

Basic financial assets

Basic financial assets, which include 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group or company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

1 Accounting policies [Continued]

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date where transactions or events have occurred at that date that will result in an obligation to pay more or a right to pay less tax.

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the reporting date.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

1 Accounting policies [Continued]

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense when they become payable.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

As the schemes have ceased to accrue further benefits to members, there is no charge in the net defined benefit liability arising from employee service during the period.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

1 Accounting policies [Continued]

1.14 Leases

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

Assets held under finance leases are recognised initially at the fair value of the leased assets (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

1.15 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.

1.16 Foreign currency translation

Functional currency and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 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.

The defined benefit pension liabilities are determined on an actuarial basis using a variety of assumptions. Any changes in these assumptions, which are disclosed in note 26, will impact on the carrying amount of the pension liability. The directors have considered the advice of the actuary in determining the basis of these assumptions.

3 Turnover and other revenue

	2020 £'000	2019 £'000
An analysis of the group's turnover is as follows:		
Turnover		
Sale of goods	319,728	361,754
Turnover analysed by geographical market		
United Kingdom	317,189	359,354
Overseas	2,539	2,400
	319,728	361,754
	2020 £'000	2019 £'000
Other operating income		
Government grants	4,863	-

4 Exceptional item

	2020 £'000	2019 £'000
Pension equalisation	-	753
Covid-19 interruption costs	4,795	-
	4,795	753

In addition to the trading impact of Covid-19, the pandemic has also caused the group to incur one-off exceptional business costs. This includes stock obsolescence, staff costs, restructuring and impairment of debtors.

The 2019 exceptional item related to the cost of equalising Guaranteed Minimum Pension payments.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

5 Operating profit

The operating profit for the period has been arrived at after:

	2020 £'000	2019 £'000
Charging		
Directors' emoluments (see note 6)	1,309	1,958
Operating lease rentals		
- land and buildings	1,906	1,900
- plant and machinery	2,207	2,089
Depreciation	5,632	6,055
Amortisation of goodwill	4,503	4,480
Loss on disposal of investment	-	17
Loss on disposal of fixed assets	80	-
Crediting		
Surplus on disposal of fixed assets	-	46
Surplus on disposal of investments	20	-

Services provided by the group's auditor:

	2020 £'000	2019 £'000
Fees payable to the company's auditor for the audit of the company's annual financial statements	25	25
Fees payable to the company's auditor for other services:		
Audit of the company's subsidiaries, pursuant to legislation	87	86
Accounting services	44	43
Tax services	32	31
Other services	7	4
Fees payable in respect of the Edward Billington & Son Limited Retirement Benefits Scheme		
Audit	4	4
Tax services	1	1

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

6 Directors' emoluments and employment costs

The aggregate amount of directors' emoluments, including profit sharing bonuses and contributions to pension scheme in respect of current service were:

	2020 £'000	2019 £'000
Number of directors whose emoluments are included below	8	8
Management remuneration (including benefits in kind)	1,068	1,344
Bonuses	214	373
Pension scheme contributions	27	36
	1,309	1,753
Benefits accrued under long-term incentive plan	-	205
	1,309	1,958

Pension scheme contributions represent amounts paid to defined contribution schemes during the period. The number of directors who were members of a defined contribution scheme was 2 (2019 3). No directors are members of the defined benefit scheme.

	2020 £'000	2019 £'000
The emoluments of the highest paid director were as follows:		
Aggregate emoluments, excluding pension contributions	474	448
Benefits accrued under long-term incentive plan	-	92
	474	540
Company pension contributions to a defined contribution scheme	8	10

Employees	2020 £'000	2019 £'000
Total cost of employment:		
Wages and salaries	43,264	45,455
Social security costs	4,048	4,246
Other pension costs	2,464	2,379
	49,776	52,080

	2020 Number	2019 Number
Average number of employees		
Management and administration	325	331
Selling and distribution	109	119
Direct labour and production	1,263	1,364
	1,697	1,814

The defined benefit scheme is the Edward Billington & Son Limited Retirement Benefits Scheme. With effect from 1st September 2006 the scheme ceased to accrue further benefits for its active members, further details of which are given in note 26.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

7 Net interest paid

	2020 £'000	2019 £'000
Interest paid		
Bank interest	178	364
Loan interest	287	652
Finance leases	60	54
	525	1,070
Interest received		
Bank interest	(22)	(50)
Other interest	(184)	(98)
Net interest on defined benefit pension asset	(40)	(84)
	(246)	(232)
Associated undertakings		
Interest paid	242	251
Net interest paid	521	1,089

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

8 Taxation

8.1 Analysis of charge for period	2020		2019	
	£'000	£'000	£'000	£'000
Current tax:				
UK corporation tax on profit for the period				
Group companies	410		1,995	
Associated undertakings	399		384	
Adjustment in respect of previous period				
Group companies	(33)		(159)	
Associated undertakings	-		-	
Total current tax		776		2,220
Deferred tax:				
Origination and reversal of timing differences				
Group companies	575		494	
Associated undertakings	(50)		21	
Changes in tax rate	219		-	
Total deferred tax		744		515
Tax on profit on ordinary activities		1,520		2,735

8.2 Factors affecting the current tax charge for the period	2020	2019
	£'000	£'000
Tax arising on profit on ordinary activities at the standard rate of corporation tax of 19% (2019 19%)	516	1,932
Effects of:		
Expenses not deductible for tax purposes	14	21
Depreciation and amortisation not deductible for tax purposes	1,045	1,002
Income not taxable	(62)	(4)
Research and development tax credits	(161)	-
Deferred tax effect of changes in tax rate	219	-
Adjustment to reflect effective tax rate	(18)	(57)
Adjustment in respect of previous period	(33)	(159)
	1,520	2,735

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

9 Equity dividends of Edward Billington and Son Limited

	Pence per share	2020 £'000	Pence per share	2019 £'000
Paid during the period:				
Interim - paid 20th September 2019	44.40	826	44.40	826
Final - paid 2nd March 2020	66.70	1,242	64.00	1,191
Waivers	-	(38)	-	(17)
Total dividends paid	111.10	2,030	108.40	2,000
Proposed for the period:				
Interim	-	-	44.40	826
Waivers	-	-	-	(16)
Final - payable 1st March 2021	78.90	1,469	66.70	1,242
Total dividends proposed	78.90	1,469	111.10	2,052

Dividends totalling 78.90 pence per share are proposed in respect of the period. The amounts proposed in respect of the previous period have been paid and are therefore deducted from reserves as shown in the Statement of Changes in Equity.

10 Intangible fixed assets

Group	Computer software £'000	Goodwill £'000	Total £'000
Cost			
At 2nd September 2019	1,581	58,747	60,328
Additions	712	-	712
Transfers	(9)	-	(9)
Adjustment to consideration	-	14	14
At 30th August 2020	2,284	58,761	61,045
Amortisation			
At 2nd September 2019	891	36,363	37,254
Charge for period	136	4,367	4,503
At 30th August 2020	1,027	40,730	41,757
Net book value			
At 30th August 2020	1,257	18,031	19,288
At 1st September 2019	690	22,384	23,074

Included in the group cost of goodwill of £58,761,000 is £5,000,000 (2019 £5,000,000) attributable to brand valuations. The amount amortised since acquisition amounts to £3,288,461 (2019 £2,788,461).

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

10 Intangible fixed assets [Continued]

Company	Computer software £'000	Goodwill £'000	Total £'000
Cost			
At 2nd September 2019	136	8,690	8,826
Additions	106	-	106
At 30th August 2020	242	8,690	8,932
Amortisation			
At 2nd September 2019	15	8,690	8,705
Charge for period	29	-	29
At 30th August 2020	44	8,690	8,734
Net book value			
At 30th August 2020	198	-	198
At 1st September 2019	121	-	121

11 Tangible fixed assets

Group	Land and Buildings £'000	Assets under Construction £'000	Plant £'000	Total £'000
Cost or valuation				
At 2nd September 2019	38,961	5,192	88,836	132,989
Additions	781	854	3,398	5,033
Disposals	(20)	-	(1,475)	(1,495)
Transfers	-	(722)	731	9
At 30th August 2020	39,722	5,324	91,490	136,536
Depreciation				
At 2nd September 2019	19,792	-	61,499	81,291
Charge for period	1,116	-	4,516	5,632
Released on disposals	(20)	-	(1,275)	(1,295)
At 30th August 2020	20,888	-	64,740	85,628
Net book value				
At 30th August 2020	18,834	5,324	26,750	50,908
At 1st September 2019	19,169	5,192	27,337	51,698

The net book value of land and buildings includes £117,101 (2019 £117,101) of long-leasehold property and £6,920,032 (2019 £6,754,329) of short-leasehold property improvements. Land and buildings includes, where applicable, fixed plant which forms an integral part of the building structure.

Plant includes motor vehicles having a net book value of £3,273,396 (2019 £3,126,945).

The net book value of tangible fixed assets includes an amount of £2,653,009 (2019 £2,562,204) in respect of assets held under finance leases, and on which depreciation charged in the period was £660,711 (2019 £550,988).

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

11 Tangible fixed assets [Continued]

Company	Freehold Land and Buildings £'000	Plant £'000	Total £'000
Cost			
At 2nd September 2019	142	723	865
Additions	-	73	73
At 30th August 2020	142	796	938
Depreciation			
At 2nd September 2019	30	514	544
Charge for period	-	79	79
At 30th August 2020	30	593	623
Net book value			
At 30th August 2020	112	203	315
At 1st September 2019	112	209	321

12 Investments

Group	Unquoted £'000	Associated undertakings £'000	Total £'000
Cost or valuation			
At 2nd September 2019	13,070	14,966	28,036
Share of results	-	1,068	1,068
Dividends paid	-	(588)	(588)
Disposal	(100)	-	(100)
At 30th August 2020	12,970	15,446	28,416

Associated undertakings

The share of associated undertakings' results represent the group's share of retained profits in Carrs Billington Agriculture (Sales) Limited.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

12 Investments [Continued]

Company				
Cost or valuation	Unquoted	Associated undertakings	Subsidiary undertakings	Total
	£'000	£'000	£'000	£'000
At 2nd September 2019	1,122	597	70,679	72,398
Disposal	(100)	-	-	(100)
Adjustment to consideration	-	-	14	14
At 30th August 2020	1,022	597	70,693	72,312

13 Financial instruments

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Carrying amount of financial assets				
Debt instruments measured at amortised cost	55,560	62,647	28,811	30,000
Equity instruments measured at cost less impairment	300	400	300	400
	55,860	63,047	29,111	30,400
Carrying amount of financial liabilities				
Measured at amortised cost	64,050	76,191	45,460	46,373

14 Stocks

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Raw materials	8,697	11,375	-	-
Goods for resale	16,603	15,470	-	-
	25,300	26,845	-	-

Amounts recognised in cost of sales during the period in respect of stock losses and obsolescence were £2,489,633 (2019 £2,573,590).

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

15 Debtors

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade debtors	22,348	29,273	243	224
Subsidiary undertakings	-	-	29,803	25,474
Associated undertakings	19,960	24,695	-	1
Other taxes	2,407	1,990	-	-
Other debtors	5,570	4,234	1,553	1,452
Prepayments and accrued income	2,667	3,142	539	319
Deferred taxation (see note 19)	-	-	-	172
	52,952	63,334	32,138	27,642

During the period there was a £836,799 impairment loss (2019 impairment reversal £111,484) recognised against trade debtors.

Included in other debtors are loans amounting to £1,343,065 (2019 £1,360,732) falling due after more than one year.

16 Creditors - amounts falling due within one year

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Bank overdrafts	10,763	15,654	2,145	-
Current instalments on loans	2,027	2,210	2,027	2,210
Finance lease obligations	643	456	-	-
Trade creditors	22,133	29,862	159	146
Subsidiary undertakings	-	-	30,119	28,207
Other taxes and social security costs	2,022	1,540	2,022	1,421
Corporation tax	78	709	-	33
Other creditors	2,880	3,006	1,106	2,442
Accruals and deferred income	15,772	12,364	1,439	1,875
	56,318	65,801	39,017	36,334

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

17 Creditors - amounts falling due after more than one year

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Bank loans	8,465	11,493	8,465	11,493
Finance lease obligations	1,367	1,146	-	-
	9,832	12,639	8,465	11,493

The bank facilities are secured by way of fixed and floating charges over the assets of certain group companies.

The outstanding bank loans are secured and subject to variable interest rates, being 2% plus LIBOR at 30th August 2020.

Bank loans are repayable as follows:

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Within one year	2,027	2,210	2,027	2,210
Between one to two years	8,465	2,000	8,465	2,000
Between two and five years	-	9,493	-	9,493
	10,492	13,703	10,492	13,703

18 Lease commitments

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Finance leases				
Amounts falling due:				
Within one year	643	456	-	-
Within two to five years	1,367	996	-	-
Over five years	-	150	-	-
	2,010	1,602	-	-

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

18 Lease commitments [Continued]

Operating lease commitments

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

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Within one year	3,013	3,604	181	181
Within two to five years	5,015	6,580	169	350
After five years	2,671	3,746	-	-
	10,699	13,930	350	531

19 Deferred taxation

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Accelerated capital allowances	2,597	2,066	-	(23)
Short term timing differences	(4)	(129)	42	(118)
Losses	12	11	-	-
Defined benefit pension liabilities	757	287	101	(31)
	3,362	2,235	143	(172)
At 2nd September 2019	2,235	1,955	(172)	(43)
Profit and loss account	794	494	178	54
Statement of other comprehensive income	333	(214)	137	(183)
At 30th August 2020	3,362	2,235	143	(172)

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

20 Capital of Edward Billington and Son Limited

	Authorised		Allotted, called up and fully paid	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Ordinary shares of £1 each	2,350	2,350	1,042	1,042
2007 ordinary shares of £1 each	400	400	400	400
Preferred ordinary shares of £1 each (non-voting)	1,150	1,150	344	344
2014 Preferred ordinary shares of £1 each (non-voting)	100	100	75	75
	4,000	4,000	1,861	1,861

The preferred and 2014 preferred ordinary shares of £1 each are independently valued each year. It was reported at the company's Annual General Meeting held on 27th February 2020 that the valuation of these shares was £34.50 per share. The directors are advised that the recommended valuation of these shares is to remain at £34.50 per share following approval of these financial statements.

21 Reserves

Share premium account - represents the premium received on the issue of share capital.

Capital reserves - represents the nominal value of shares redeemed within the group together with other reserves established on the historic acquisition of subsidiaries.

Other reserve - represents the value of the funds held by the trustees of the Edward Billington & Son Employee Benefit Trust less the value of company shares held by the trust and the initial contributions made by the company.

Profit and loss account - includes all current and prior period retained profits and losses.

22 Non-controlling interests

Profit and loss account

The amount shown represents the profits for the period, after taxation, attributable to the investment in subsidiary undertakings held by non-controlling parties.

Balance Sheet

The amount shown represents the share of capital and reserves of subsidiary undertakings attributable to non-controlling parties at 30th August 2020. The movement on the share of equity is summarised below:

	£'000
At 2nd September 2019	12,943
Profit and loss account	1,184
Share of other comprehensive income	312
Dividends paid to non controlling interest	(588)
At 30th August 2020	13,851

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

23 Capital commitments

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Contracted for but not provided in the financial statements	216	1,976	Nil	Nil

24 Contingent liabilities

Edward Billington and Son Limited has guaranteed the individual bank and loan facilities of certain subsidiary undertakings.

The group has, in the normal course of trade, given indemnities to third parties and entered into forward currency contracts. Other than amounts properly provided in the financial statements no additional liabilities are expected to arise from these transactions.

25 Profit of Edward Billington and Son Limited

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss account of the parent undertaking is not presented as part of these financial statements. The consolidated profit for the period incorporates the reported profit of £7,363,974 (2019 £15,623,380) in the financial statements of Edward Billington and Son Limited.

26 Retirement benefit schemes

26.1 Defined contribution schemes

The group operates a number of defined contribution pension schemes for qualifying employees. The assets of the schemes are held separately from those of the company in independently administered funds.

The charge to profit or loss in respect of defined contribution schemes was £2,464,000 (2019 £2,379,000).

26.2 Defined benefit schemes

The group also operates two defined benefit pension schemes, the Edward Billington & Son Limited Retirement Benefits Scheme and the Carrs Billington Agriculture Pension Scheme. The assets of both schemes are administered by trustees, held separately from those of the group and are invested with financial institutions. Contributions are paid to the schemes in accordance with the recommendations of two independent qualified actuaries on the basis of triennial valuations using the attained age method of valuation.

The following table summarises the pension (surplus)/liabilities of the Edward Billington & Son Limited Retirement Benefits Scheme and the Carrs Billington Agriculture Pension Scheme detailed in notes 26.2.1 and 26.2.2 respectively which are reflected in aggregate on the group Balance Sheet.

	2020 £'000	2019 £'000
Edward Billington & Son Limited Retirement Benefits Scheme	(976)	185
Carrs Billington Agriculture Pension Scheme	(3,451)	(1,872)
Defined benefit pension surplus	(4,427)	(1,687)

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

26 Retirement benefit schemes [Continued]

26.2.1 Edward Billington & Son Limited Retirement Benefits Scheme

The scheme was closed to new entrants on 1st February 2001 and with effect from 1st September 2006, the scheme ceased to accrue further benefits for its active members. An alternative defined contribution scheme has been implemented to replace it.

Contributions paid into the scheme during the period amounted to £450,000. The company has agreed to contribute £25,000 to the scheme during the period to 29th August 2021.

The liabilities of the scheme have been calculated by reference to the results of the 1st September 2016 full actuarial valuation. These have been updated for benefits paid out and changes to assumptions in the period to the balance sheet date, to determine the defined benefit obligation reported below.

Key assumptions	2020 %	2019 %
Discount rate	1.80	1.80
Expected rate of increase of pensions in payment	2.80	3.00
Pension increases - RPI max 5%	2.70	2.90
Mortality assumptions	2020 Years	2019 Years
Assumed life expectations on retirement at age 65:		
Retiring today		
- Males	21.80	21.80
- Females	23.70	23.70
Retiring in 20 years		
- Males	23.20	23.20
- Females	25.30	25.20
Amounts recognised in the profit and loss account	2020 £'000	2019 £'000
Net interest (income)/expense on defined benefit liability	-	(17)
Other costs and income	33	15
Total costs/(income)	33	(2)
Amounts taken to other comprehensive income	2020 £'000	2019 £'000
Actual return on scheme assets	(849)	(1,581)
Less: Calculated interest element	329	492
Return on scheme assets excluding interest income	(520)	(1,089)
Actuarial changes related to obligations	(224)	2,168
Total (income)/costs	(744)	1,079

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

26 Retirement benefit schemes [Continued]

26.2.1 Edward Billington & Son Limited Retirement Benefits Scheme [Continued]

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

	2020 £'000	2019 £'000
Present value of defined benefit obligations	17,965	18,667
Fair value of plan assets	18,941	18,482
(Surplus)/deficit in scheme	(976)	185

Movement in the present value of defined benefit obligations

	2020 £'000	2019 £'000
Liabilities at 2nd September 2019	18,667	17,877
Benefits paid	(807)	(1,853)
Actuarial (gains)/losses	(224)	2,168
Interest cost	329	475
At 30th August 2020	17,965	18,667

Movements in the fair value of plan assets

	2020 £'000	2019 £'000
Fair value of assets at 2nd September 2019	18,482	18,176
Interest income	329	492
Return on plan assets (excluding amounts included in net interest)	520	1,089
Benefits paid	(807)	(1,853)
Contributions by the employer	450	593
Other	(33)	(15)
At 30th August 2020	18,941	18,482

Fair value of plan assets at the reporting period end

	2020 £'000	2019 £'000
Cash and cash equivalents	311	300
Equity instruments	7,378	10,469
Property	272	676
Debt instruments	8,863	6,028
Other	2,117	1,009
At 30th August 2020	18,941	18,482

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

26 Retirement benefit schemes [Continued]

26.2.2 Carrs Billington Agriculture Pension Scheme

The scheme ceased to accrue further benefits for its active members with effect from 1st December 2007.

Contributions paid into the scheme during the period amounted to £800,000. The company has agreed to contribute £800,000 to the scheme during the period to 29th August 2021.

The liabilities of the scheme have been calculated by reference to the results of the 31st December 2018 full actuarial valuation. These have been updated for benefits paid out and changes to assumptions in the period from 31st December 2018 to the balance sheet date, to determine the defined benefit obligation reported below.

Key assumptions	2020 %	2019 %
Discount rate	1.80	1.80
Expected rate of increase of pensions in payment	2.80	3.00
Expected rate of salary increases	1.90	2.10
Pension increases - RPI max 5%	2.70	2.90
Pension increases - RPI max 3%	2.20	2.30
Pension increases - RPI max 2.5%	1.90	2.00
Mortality assumptions	2020 Years	2019 Years
Assumed life expectations on retirement at age 65:		
Retiring today		
- Males	21.80	21.80
- Females	23.70	23.70
Retiring in 20 years		
- Males	23.20	23.20
- Females	25.30	25.20
Amounts recognised in the profit and loss account	2020 £'000	2019 £'000
Net interest (income)/expense on defined benefit asset	(40)	(67)
Loss on curtailments, changes or introductions	-	753
Other costs	95	85
Total costs	55	771

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

26 Retirement benefit schemes [Continued]

26.2.2 Carrs Billington Agriculture Pension Scheme [Continued]

Amounts taken to other comprehensive income	2020 £'000	2019 £'000
Actual return on scheme assets	(753)	(4,483)
Less: Calculated interest element	716	1,016
Return on scheme assets excluding interest income	(37)	(3,467)
Actuarial changes related to obligations	(795)	3,646
Total costs/(income)	(832)	179
The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:	2020 £'000	2019 £'000
Present value of defined benefit obligations	36,626	38,393
Fair value of plan assets	(40,077)	(40,265)
(Surplus) in scheme	(3,451)	(1,872)
Movement in the present value of defined benefit obligations	2020 £'000	2019 £'000
Liabilities at 2nd September 2019	38,393	34,771
Plans introductions, changes or curtailments	-	753
Benefits paid	(1,648)	(1,726)
Actuarial (gains)/losses	(795)	3,646
Interest cost	676	949
At 30th August 2020	36,626	38,393
Movements in the fair value of plan assets	2020 £'000	2019 £'000
Fair value of assets at 2nd September 2019	40,265	36,793
Interest income	716	1,016
Return on plan assets (excluding amounts included in net interest)	37	3,467
Benefits paid	(1,648)	(1,726)
Contributions by the employer	800	800
Other	(95)	(85)
At 30th August 2020	40,077	40,265

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

26 Retirement benefit schemes [Continued]

26.2.2 Carrs Billington Agriculture Pension Scheme [Continued]

	2020 £'000	2019 £'000
Fair value of plan assets at the reporting period end		
Equity instruments	9,143	9,786
Property	-	1,854
Debt instruments	19,117	20,472
Other	11,817	8,153
At 30th August 2020	40,077	40,265

27 Operating entities

	Country of Incorporation	Percentage of equity held by the group
Agricultural division		
Subsidiary undertakings		
Carrs Billington Agriculture (Operations) Limited	England and Wales	51
Criddle & Co. Limited	England and Wales	100
Associated undertakings		
+ Carrs Billington Agriculture (Sales) Limited	England and Wales	49
UK Foods division		
Subsidiary undertakings		
Billington Foodservice Limited	England and Wales	100
Billington Food Ingredients Limited	England and Wales	100
English Provender Company Limited	England and Wales	100
Dickens 2014 Limited	England and Wales	100
TSC Foods Group Limited	England and Wales	100
Sauceinvest Limited	England and Wales	100
TSC Foods Limited	England and Wales	100
Dunkleys Limited	England and Wales	100
Property company		
Rhopode Limited	England and Wales	100
Other significant holdings		
+ WSO Holdings LP	U.S.A.	30.44

+ Indicates companies audited other than by Mitchell Charlesworth LLP.

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

28 Related party transactions

Included in other creditors is £727,329 (2019 £1,852,679) due to the directors at 30th August 2020.

Interest charged on these amounts during the period was £29,669 (2019 £28,859).

Other loans from shareholders amounted to £251,473 (2019 £274,709) on which interest of £6,252 (2019 £6,886) is payable.

On 20th December 2018 the company made an advance to a director of £69,000. Interest at the rate of 2.25% is payable annually with no fixed terms of repayment. After taking into account interest charged of £1,179 and other smaller transactions, the amount due at 30th August 2020 was £50,637 (2019 £43,524) and is included in other debtors. This amount was repaid in full in September 2020.

During the previous year the group made a loan to its trade investment WSO Investments Inc. The loan of £1,343,065 (2019 £1,360,732) is included in other debtors and has a maturity date of 26th October 2023. Interest receivable of £183,752 (2019 £97,360) has been accrued during the year.

The group has a 49% interest in Carrs Billington Agriculture (Sales) Limited, the remainder of whose shares are owned by Carr's Group PLC.

Carr's Group PLC and its subsidiary, Carrs Billington Agriculture (Sales) Limited, entered into the following material transactions with the group during the period and had outstanding balances as follows:

30th August 2020	Sales £'000	Purchases £'000	Creditors £'000	Debtors £'000
Carr's Group PLC	-	47	28	-
Carrs Billington Agriculture (Sales) Limited	106,770	-	-	19,851
1st September 2019	Sales £'000	Purchases £'000	Creditors £'000	Debtors £'000
Carr's Group PLC	-	113	37	-
Carrs Billington Agriculture (Sales) Limited	116,928	164	-	24,558

29 Cash generated from operations

	2020 £'000	2019 £'000
Profit for the period after tax	1,192	7,432
Adjustments for:		
Taxation charged	1,520	2,735
Net finance costs	521	1,089
Share of results of associates	(1,659)	(2,047)
(Gain)/loss on disposal of investments	(20)	17
Loss/(gain) on disposal of tangible fixed assets	80	(46)
Amortisation and impairment of intangible assets	4,503	4,480
Depreciation of tangible fixed assets	5,632	6,055
Defined benefit pension contributions	(1,164)	(623)
Movements in working capital:		
(Increase)/decrease in stocks	1,545	446
(Increase)/decrease in debtors	8,611	3,677
Increase/(decrease) in creditors	(2,152)	(6,581)
Cash generated from operations	18,609	16,634

Edward Billington and Son Limited and Subsidiaries

Notes to the Financial Statements [Continued]

For the 52 week period ended 30th August 2020

30 Analysis of changes in net debt				
	At 2nd September 2019 £'000	Cash Flow £'000	Other non- Cash Changes £'000	At 30th August 2020 £'000
Cash at bank and in hand	3,728	2,104	-	5,832
Bank overdrafts	(15,654)	4,891	-	(10,763)
	(11,926)	6,995	-	(4,931)
Debt due within one year	(2,210)	183	-	(2,027)
Debt due greater than one year	(11,493)	3,028	-	(8,465)
Finance leases	(1,602)	774	(1,182)	(2,010)
Total	(27,231)	10,980	(1,182)	(17,433)
			2020 £'000	2019 £'000
Increase in cash in the year			6,995	1,338
Cash outflow from decrease in debt and lease financing			2,803	1,158
Movement in net debt in the year			9,798	2,496
Net debt at 2nd September 2019			(27,231)	(29,727)
Net debt at 30th August 2020			(17,433)	(27,231)