

Company Registration No. 01441284 (England and Wales)

IAN MOSEY LIMITED
REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2015

SATURDAY



A57XF39M

A22

28/05/2016

#378

COMPANIES HOUSE

IAN MOSEY LIMITED

COMPANY INFORMATION

Directors	Mr B I Mosey Mrs B M Mosey
Secretary	Mrs B M Mosey
Company number	01441284
Registered office	Village Farm Gilling East York North Yorkshire YO62 4JH
Registered auditors	RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) 2 Whitehall Quay Leeds West Yorkshire LS1 4HG

IAN MOSEY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The directors present the strategic report and financial statements for the year ended 31 August 2015.

Review of the business

The group's balance sheet as detailed on page 8 shows a satisfactory position with shareholders' funds amounting to £30,672,180.

Our key performance indicators are as follows:

	2015	2014
	£	£
Turnover	75,771,906	79,083,023
Gross profit	18,560,135	18,422,698
Operating profit	4,062,577	6,304,261

The directors do not utilise non-financial key performance indicators.

Risks and uncertainties

The significant risks facing the business relate to movements in the price per kilo of pig meat and fluctuations in the raw material costs for feed. The group mitigates its exposure through arrangements with its customers and forward purchasing of raw materials.

Financial risk management objectives and policies

Price Risk

The group reviews current trends to manage its exposure to variations in market prices.

Credit Risk

The group mainly trades with long standing customers, the nature of these relationships assist management in controlling its credit risk in addition to the normal credit management processes.

Liquidity

Management control and monitor the group's cash flow on a regular basis, including forecasting future cash flows.

Interest rate risk

The group utilises interest rate swaps on its borrowings to hedge against exposure to changes in interest rates.

On behalf of the board



Mr. B. I. Mosey

Director

13 May 2016

IAN MOSEY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The directors present their report and financial statements for the year ended 31 August 2015.

Principal activities

The principal activities of the group during the year were those of farming, feed manufacturers and merchants.

The principal activities of the parent company during the year were those of the provision of group services and fleet management.

Results and dividends

The group's trading profit for the year, after taxation was £3,117,199 (2014 profit £4,774,335).

An interim ordinary dividend was paid amounting to £500,000 (2014 - £Nil). The directors do not recommend payment of a final dividend.

Future developments

The group will continue to consolidate its business interests and exploit opportunities as they arise.

Directors

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

Mr B I Mosey

Mrs B M Mosey

Auditors

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of disclosure to auditors

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

On behalf of the board


.....
Mr B I Mosey

Director

13 May 2016

IAN MOSEY LIMITED

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IAN MOSEY LIMITED

We have audited the group and parent company financial statements ("the financial statements") on pages 5 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 Auditing Practices Board's (APB'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 Financial Reporting Council's website at <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 group's and parent company's affairs as at 31 August 2015 and of the group's profit for the year 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.

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 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.

RSM UK Audit LLP

Stella Cooper (Senior Statutory Auditor)

for and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

2 Whitehall Quay

Leeds

West Yorkshire

LS1 4HG

27 May 2016

IAN MOSEY LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2015

		2015 £	2014 £
	Notes		
Turnover		75,771,906	79,083,023
Cost of sales		(57,211,771)	(60,660,325)
Gross profit		18,560,135	18,422,698
Administrative expenses		(14,605,974)	(12,185,943)
Other operating income	3	108,416	67,506
Operating profit		4,062,577	6,304,261
Interest receivable and similar income	6	9,309	46
Interest payable and similar charges	7	(56,771)	(103,757)
Profit on ordinary activities before taxation	8	4,015,115	6,200,550
Tax on profit on ordinary activities	9	(897,916)	(1,426,215)
Profit on ordinary activities after taxation	20	3,117,199	4,774,335

The profit and loss account has been prepared on the basis that all operations are continuing operations.

IAN MOSEY LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

Note of historical cost profits and losses

	31 August 2015 £	31 August 2014 £
Reported profit on ordinary activities before taxation	4,015,115	6,200,550
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	-	114,304
Historical cost profit on ordinary activities before taxation	<u>4,015,115</u>	<u>6,314,854</u>
Historical cost profit for the year retained after taxation, extraordinary items and dividends	<u>2,617,199</u>	<u>4,888,639</u>

IAN MOSEY LIMITED

STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Profit for the financial year	3,117,199	4,774,335
Unrealised surplus on revaluation of properties	4,049,033	-
Total recognised gains and losses relating to the year	<u>7,166,232</u>	<u>4,774,335</u>

IAN MOSEY LIMITED
BALANCE SHEETS
AS AT 31 AUGUST 2015

		Group		Company	
		2015	2014	2015	2014
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12	19,842,230	15,064,349	19,352,013	14,766,364
Investments	13	373	373	473	473
		<u>19,842,603</u>	<u>15,064,722</u>	<u>19,352,486</u>	<u>14,766,837</u>
Current assets					
Stocks	14	15,927,988	13,383,487	67,431	76,520
Debtors	15	6,938,001	6,534,555	6,271,410	1,965,682
Cash at bank and in hand		-	-	-	13
		<u>22,865,989</u>	<u>19,918,042</u>	<u>6,338,841</u>	<u>2,042,215</u>
Creditors: amounts falling due within one year	16	(11,407,842)	(9,996,256)	(3,357,518)	(1,061,681)
Net current assets		<u>11,458,147</u>	<u>9,921,786</u>	<u>2,981,323</u>	<u>980,534</u>
Total assets less current liabilities		<u>31,300,750</u>	<u>24,986,508</u>	<u>22,333,809</u>	<u>15,747,371</u>
Creditors: amounts falling due after more than one year	17	(369,656)	(863,816)	(369,656)	(859,370)
Provisions for liabilities	18	(258,914)	(116,744)	(192,664)	(103,362)
Net assets		<u><u>30,672,180</u></u>	<u><u>24,005,948</u></u>	<u><u>21,771,489</u></u>	<u><u>14,784,639</u></u>
Capital and reserves					
Called up share capital	19	90,000	90,000	90,000	90,000
Revaluation reserve	20	12,863,034	8,814,001	12,863,034	8,814,001
Profit and loss account	20	17,719,146	15,101,947	8,818,455	5,880,638
Shareholders' funds	21	<u><u>30,672,180</u></u>	<u><u>24,005,948</u></u>	<u><u>21,771,489</u></u>	<u><u>14,784,639</u></u>

The financial statements on pages 5 to 27 were approved by the Board of Directors and authorised for issue on 13 May 2016 and are signed on its behalf by:

.....
 Mr B I Mosey
 Director

IAN MOSEY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow from operating activities	22	2,554,592	6,062,184
Returns from investment and servicing of finance	22	(47,462)	(103,711)
Taxation		(1,212,612)	(1,189,885)
Capital expenditure and financial investment	22	(1,798,608)	(1,243,931)
Equity dividends		(500,000)	-
Cash (outflow)/inflow before management of liquid resources and financing		(1,004,090)	3,524,657
Financing	22	(816,772)	(902,544)
(Decrease)/increase in cash in the year		(1,820,862)	2,622,113

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

(Decrease)/increase in cash in the year		(1,820,862)	2,622,113
Net cash inflow from movement in debt and lease financing		816,772	902,544
Change in net debt resulting from cash flows		(1,004,090)	3,524,657
New finance leases		-	(434,333)
Movement in net debt in the year		(1,004,090)	3,090,324
Opening net debt		(3,691,932)	(6,782,256)
Closing net debt	22	(4,696,022)	(3,691,932)

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

Basis of accounting

The consolidated financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold land and buildings and in accordance with applicable accounting standards.

Going concern

The directors have carried out a detailed review of the group's resources and are confident that the group has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight line or reducing balance basis over its expected useful life, as follows:

Freehold property	over 50 years on a straight line basis
Leasehold property	over the length of the lease
Plant and machinery	15% to 20% on a reducing balance basis
Equipment	20% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Leasing and hire purchase commitments

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies (Continued)

Pensions

The group operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from the company in an independently administered fund. Contributions payable are charged to the profit and loss account in the year they are payable.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the consolidated financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the consolidated financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

	2015 £	2014 £
Geographical segment		
United Kingdom	75,771,906	79,083,023
	<u>75,771,906</u>	<u>79,083,023</u>

3 Other operating income

	2015 £	2014 £
Rent receivable	24,200	24,200
Sundry income	84,216	43,306
	<u>108,416</u>	<u>67,506</u>

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

4 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Production and office staff	73	62
Management staff	4	5
	<u>77</u>	<u>67</u>

Employment costs

	2015 £	2014 £
Wages and salaries	2,325,573	1,807,160
Social security costs	252,682	196,043
Other pension costs	200,000	-
	<u>2,778,255</u>	<u>2,003,203</u>

5 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	-	163,695
Company pension contributions to money purchase pension schemes	180,000	-
	<u>180,000</u>	<u>163,695</u>

The number of directors to whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2014 - 0).

6 Interest receivable and similar income

	2015 £	2014 £
Bank interest	795	-
Other interest	8,514	46
	<u>9,309</u>	<u>46</u>

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

7	Interest payable and similar charges	2015	2014
		£	£
	On bank loans and overdrafts	12,330	44,623
	Hire purchase interest	44,437	58,950
	On overdue tax	4	184
		<u>56,771</u>	<u>103,757</u>

8	Profit on ordinary activities before taxation	2015	2014
		£	£
	Profit on ordinary activities before taxation is stated after charging/ (crediting):		
	Depreciation of tangible fixed assets		
	- owned	638,182	460,847
	- held under finance leases and hire purchase contracts	396,924	501,228
	Impairment of owned tangible fixed assets	62,317	-
	(Profit)/loss on disposal of tangible assets	(27,663)	81,477
	Operating lease rentals	<u>6,097</u>	<u>6,044</u>

Auditor's remuneration

Amounts payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services were as follows

Audit services		
- statutory audit of financial statements - (company £8,000; 2014 - £8,000)	19,000	18,500
Accounts preparation	6,530	6,114
Corporation tax compliance	<u>10,430</u>	<u>12,223</u>
	<u>35,960</u>	<u>36,837</u>

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

9	Tax on profit on ordinary activities	2015 £	2014 £
	Current tax		
	U.K. corporation tax	822,098	1,460,394
	Adjustment in respect of prior years	(66,352)	(1,318)
	Total current tax	<u>755,746</u>	<u>1,459,076</u>
	Deferred tax		
	Origination and reversal of timing differences	83,333	(32,861)
	Deferred tax adjustments arising in previous periods	58,837	-
	Total deferred tax	<u>142,170</u>	<u>(32,861)</u>
	Total tax on profit on ordinary activities	<u>897,916</u>	<u>1,426,215</u>
	Factors affecting the tax charge for the year		
	The tax assessed for the year is higher than the standard rate of corporation tax of 20.58% (2014 - 22.16%). The differences are explained below:		
	Profit on ordinary activities before taxation	<u>4,015,115</u>	<u>6,200,550</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.58081041% (2014 - 22.16%)	<u>826,343</u>	<u>1,374,042</u>
	Effects of:		
	Expenses not deductible for tax purposes	61,456	43,381
	Capital allowances in excess of depreciation	(65,121)	43,408
	Marginal relief	-	(730)
	Rounding on tax charge	-	102
	Over provision in prior year	(66,352)	(1,318)
	Actual tax charge different to expected	(580)	-
	Other tax adjustments	-	191
		<u>(70,597)</u>	<u>85,034</u>
	Current tax charge for the year	<u>755,746</u>	<u>1,459,076</u>

No provision has been made for deferred tax on gains recognised on revaluing property to its market value or on sale of properties where potentially taxable gains have been rolled over into replacement assets. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. If rollover relief is not claimable any chargeable gain arising should be covered by the capital losses brought forward.

Realisation of the freehold property at open market value of £15,519,000 (2014 - £10,805,196) could potentially generate a chargeable gain of up to circa £11.81m (2014 - £8.30m). Based on UK corporation tax at 20% (2014 - 20%), being the expected rate when the gain could potentially be realised, this would generate a tax liability of circa £2.36m (2014 - £1.66m).

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

10 Profit attributable to members of the parent company

	2015 £	2014 £
Dealt with in the financial statements of the parent company	3,437,817	2,457,335

11 Dividends

	2015 £	2014 £
Interim dividends paid on ordinary shares	500,000	-

12 Tangible fixed assets

Group	Freehold property £	Leasehold property £	Plant and machinery £	Equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2014	11,552,197	600,138	4,779,796	183,019	2,770,978	19,886,128
Reclassification	(307,988)	307,988	-	-	-	-
Additions	1,284,792	-	501,385	24,185	691,080	2,501,442
Revaluation	3,463,862	-	-	-	-	3,463,862
Disposals	(473,863)	-	(159,450)	-	(171,292)	(804,605)
At 31 August 2015	15,519,000	908,126	5,121,731	207,204	3,290,766	25,046,827
Depreciation						
At 1 September 2014	353,961	600,138	2,489,489	69,433	1,308,758	4,821,779
Reclassification	(6,008)	6,008	-	-	-	-
Revaluation	(522,854)	-	-	-	-	(522,854)
On disposals	-	-	(29,231)	-	(100,203)	(129,434)
Charge for the year	174,901	12,339	369,074	29,119	449,673	1,035,106
At 31 August 2015	-	618,485	2,829,332	98,552	1,658,228	5,204,597
Net book value						
At 31 August 2015	15,519,000	289,641	2,292,399	108,652	1,632,538	19,842,230
At 31 August 2014	11,198,236	-	2,290,307	113,586	1,462,220	15,064,349

The freehold property was revalued by R E F Stephenson Esq., Chartered Surveyor, as at 31 August 2015. The directors are of the opinion that it is appropriate to use this valuation for the purpose of the valuation at the balance sheet date.

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

12 Tangible fixed assets (Continued)

Comparable historical cost for tangible fixed assets included at valuation:

	Freehold property £
At cost	2,794,146
Aggregate depreciation	(396,589)
Net book value	
At 31 August 2015	2,397,557
At 31 August 2014	2,397,557

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Equipment £	Motor vehicles £	Total £
Net book values				
At 31 August 2015	490,235	30,415	878,864	1,399,514
At 31 August 2014	650,102	40,553	1,199,915	1,890,570
Depreciation charge for the year				
At 31 August 2015	89,898	10,138	296,888	396,924
At 31 August 2014	114,356	13,518	373,354	501,228

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

12 Tangible fixed assets (Continued)

Tangible fixed assets

Company

	Freehold property £	Leasehold property £	Plant and machinery £	Equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2014	11,548,502	600,138	4,481,510	116,417	2,719,064	19,465,631
Reclassification	(307,988)	307,988	-	-	-	-
Additions	1,284,792	-	207,327	13,725	662,322	2,168,166
Revaluation	3,463,862	-	-	-	-	3,463,862
Disposals	(473,863)	-	(99,200)	-	(171,292)	(744,355)
At 31 August 2015	15,515,305	908,126	4,589,637	130,142	3,210,094	24,353,304
Depreciation						
At 1 September 2014	353,961	600,138	2,395,165	58,291	1,291,712	4,699,267
Reclassification	(6,008)	6,008	-	-	-	-
Revaluation	(522,854)	-	-	-	-	(522,854)
On disposals	-	-	(29,231)	-	(100,203)	(129,434)
Charge for the year	174,901	12,339	316,033	16,242	434,797	954,312
At 31 August 2015	-	618,485	2,681,967	74,533	1,626,306	5,001,291
Net book value						
At 31 August 2015	15,515,305	289,641	1,907,670	55,609	1,583,788	19,352,013
At 31 August 2014	11,194,541	-	2,086,345	58,126	1,427,352	14,766,364

Comparable historical cost for tangible fixed assets included at valuation:

	Freehold property £
At cost	2,794,146
Aggregate depreciation	(396,589)
Net book value	
At 31 August 2015	2,397,557
At 31 August 2014	2,397,557

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

12 Tangible fixed assets (Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Equipment £	Motor vehicles £	Total £
Net book values				
At 31 August 2015	459,590	30,415	856,299	1,346,304
At 31 August 2014	614,049	40,553	1,169,828	1,824,430
Depreciation charge for the year				
At 31 August 2015	84,490	10,138	289,366	383,994
At 31 August 2014	107,994	13,518	365,660	487,172

13 Fixed asset investments Group

	Unlisted investments £
Cost or valuation	
At 1 September 2014 & at 31 August 2015	373
Net book value	
At 31 August 2015	373
At 31 August 2014	373
Company	
	Unlisted investments £
Cost or valuation	
At 1 September 2014 & at 31 August 2015	473
Net book value	
At 31 August 2015	473
At 31 August 2014	473

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

13 Fixed asset investments (Continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Class	Shares held	%
Subsidiary undertakings			
Ian Mosey (Feed) Limited	Ordinary shares		100.00
Ian Mosey (Livestock) Limited	Ordinary shares		100.00

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Ian Mosey (Feed) Limited	Feed manufacture & merchanting
Ian Mosey (Livestock) Limited	Farming of swine

In addition the group holds a minor, unlisted investment in Meadow Quality Limited. It is the opinion of the directors that they have no controlling interest in this entity and as such has been treated as an investment and not consolidated into the results of Ian Mosey Limited.

At the year end, Meadow Quality Limited had aggregate capital and reserves of £1,303,400 (2014 - £1,246,237) and made a profit for the year of £55,963 (2014 - loss of £88,630).

14 Stocks

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Raw materials and consumables	2,371,389	2,041,523	67,431	76,520
Finished goods and goods for resale	13,556,599	11,341,964	-	-
	<u>15,927,988</u>	<u>13,383,487</u>	<u>67,431</u>	<u>76,520</u>

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

15 Debtors

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	5,539,305	5,956,319	44,945	33,530
Amounts owed by group undertakings	-	-	6,062,057	1,845,231
Corporation tax	71,006	-	-	-
Other debtors	773,198	477,468	67,681	52,038
Prepayments and accrued income	554,492	100,768	96,727	34,883
	<u>6,938,001</u>	<u>6,534,555</u>	<u>6,271,410</u>	<u>1,965,682</u>

16 Creditors : amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	3,928,790	2,284,597	2,315,837	246,817
Net obligations under finance lease and hire purchase contracts	397,576	543,519	393,130	522,886
Trade creditors	6,086,158	6,183,865	315,650	141,323
Amounts owed to group undertakings	-	-	131,332	-
Corporation tax	253,952	639,812	20,000	80,139
Other taxation and social security costs	70,304	53,815	4,617	8,442
Directors current accounts	139,528	-	139,528	-
Other creditors	657	42	88	42
Accruals and deferred income	530,877	290,606	37,336	62,032
	<u>11,407,842</u>	<u>9,996,256</u>	<u>3,357,518</u>	<u>1,061,681</u>

Security has been given by the group in respect of bank loans and overdrafts of £3,928,790 (2014 - £2,284,597) and obligations under hire purchase agreements of £397,576 (2014 - £543,519).

Security has been given by the company in respect of bank loans and overdrafts of £2,315,837 (2014 - £246,817) and obligations under hire purchase agreements of £393,130 (2014 - £522,886).

The bank loans and overdrafts are secured by way of a floating charge over the assets of the group and by security against the debts to which it relates. Obligations under hire purchase agreements are secured against the assets of the group to which they relate.

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

17 Creditors : amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans	-	88,756	-	88,756
Net obligations under finance leases and hire purchase agreements	369,656	775,060	369,656	770,614
	<u>369,656</u>	<u>863,816</u>	<u>369,656</u>	<u>859,370</u>
Analysis of loans				
Wholly repayable within five years	67,137	332,562	67,137	332,562
Included in current liabilities	(67,137)	(243,806)	(67,137)	(243,806)
	<u>-</u>	<u>88,756</u>	<u>-</u>	<u>88,756</u>
Debt maturity analysis				
Amounts payable:				
In more than one year but not more than two years	-	88,756	-	88,756
	<u>-</u>	<u>88,756</u>	<u>-</u>	<u>88,756</u>

Security has been given by the group in respect of bank loans and overdrafts of £Nil (2014 - £88,756) and obligations under hire purchase agreements of £369,656 (2014 - £775,060).

Security has been given by the company in respect of bank loans and overdrafts of £Nil (2014 - £88,756) and obligations under hire purchase agreements of £369,656 (2014 - £770,614).

The bank loans and overdrafts are secured by way of a floating charge over the assets of the group and by security against the debts to which it relates. Obligations under hire purchase agreements are secured against the assets of the group to which they relate.

Net obligations under finance leases and hire purchase contracts

Amounts payable:				
Within one year	397,576	543,519	393,130	522,886
Within two to five years	369,656	775,060	369,656	770,614
	<u>767,232</u>	<u>1,318,579</u>	<u>762,786</u>	<u>1,293,500</u>
Included in liabilities falling due within one year	(397,576)	(543,519)	(393,130)	(522,886)
	<u>369,656</u>	<u>775,060</u>	<u>369,656</u>	<u>770,614</u>

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

18 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 September 2014	116,744
Profit and loss account	142,170
	<u>258,914</u>
Balance at 31 August 2015	<u>258,914</u>

Company

Balance at 1 September 2014	103,362
Profit and loss account	89,302
	<u>192,664</u>
Balance at 31 August 2015	<u>192,664</u>

The deferred tax liability is made up as follows:

	Group 2015 £	2014 £	Company 2015 £	2014 £
Excess of taxation allowances over depreciation on fixed assets	<u>258,914</u>	<u>116,744</u>	<u>192,664</u>	<u>103,362</u>

19 Share capital

	2015 £	2014 £
Allotted, called up and fully paid 90,000 Ordinary shares of £1 each	<u>90,000</u>	<u>90,000</u>

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

20 Reserves Group

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 September 2014	8,814,001	15,101,947
Profit for the year	-	3,117,199
Dividends paid	-	(500,000)
Revaluation during the year	4,049,033	-
	<u>12,863,034</u>	<u>17,719,146</u>
Balance at 31 August 2015	<u>12,863,034</u>	<u>17,719,146</u>

Company

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 September 2014	8,814,001	5,880,638
Profit for the year	-	3,437,817
Dividends paid	-	(500,000)
Revaluation during the year	4,049,033	-
	<u>12,863,034</u>	<u>8,818,455</u>
Balance at 31 August 2015	<u>12,863,034</u>	<u>8,818,455</u>

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

21	Reconciliation of movements in shareholders' funds	2015	2014
	Group	£	£
	Profit for the financial year	3,117,199	4,774,335
	Dividends	(500,000)	-
		<u>2,617,199</u>	<u>4,774,335</u>
	Other recognised gains and losses	4,049,033	-
		<u>6,666,232</u>	<u>4,774,335</u>
	Net addition to shareholders' funds	24,005,948	19,231,613
	Opening shareholders' funds	<u>30,672,180</u>	<u>24,005,948</u>
	Closing shareholders' funds	<u>30,672,180</u>	<u>24,005,948</u>
		2015	2014
	Company	£	£
	Profit for the financial year	3,437,817	2,457,335
	Dividends	(500,000)	-
		<u>2,937,817</u>	<u>2,457,335</u>
	Other recognised gains and losses	4,049,033	-
		<u>6,986,850</u>	<u>2,457,335</u>
	Net addition to shareholders' funds	14,784,639	12,327,304
	Opening shareholders' funds	<u>21,771,489</u>	<u>14,784,639</u>
	Closing shareholders' funds	<u>21,771,489</u>	<u>14,784,639</u>
22	Notes to the cash flow statement		
	Reconciliation of operating profit to net cash inflow from operating activities	2015	2014
		£	£
	Operating profit	4,062,577	6,304,261
	Depreciation of tangible assets	1,035,106	962,075
	(Profit)/loss on disposal of tangible assets	(27,663)	81,477
	Impairment losses on tangible assets	62,317	-
	Increase in stocks	(2,544,501)	(1,342,273)
	Increase in debtors	(332,440)	(1,149,194)
	Increase in creditors	299,196	1,205,838
		<u>2,554,592</u>	<u>6,062,184</u>
	Net cash inflow from operating activities	<u>2,554,592</u>	<u>6,062,184</u>

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

22 Notes to the cash flow statement (Continued)

Analysis of cash flows for headings netted in the cash flow statement

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	9,309	46
Interest paid	(12,334)	(44,807)
Interest element of finance lease payments	(44,437)	(58,950)
Net cash outflow for returns on investments and servicing of finance	(47,462)	(103,711)
Capital expenditure and financial investment		
Purchase of tangible assets	(2,501,442)	(1,253,035)
Purchase of other investments (including loans made)	-	(100)
Receipts from sale of tangible assets	702,834	9,204
Net cash outflow from capital expenditure & financial investment	(1,798,608)	(1,243,931)
Financing		
Repayment of short term loans	(265,425)	(239,085)
Capital element of hire purchase contract payments	(551,347)	(663,459)
Net cash outflow from financing	(816,772)	(902,544)

Analysis of net debt

	1 September 2014 £	Cash flow £	Other non-31 August 2015 cash changes £	£
Net cash:				
Bank overdrafts	(2,040,791)	(1,820,862)	-	(3,861,653)
Debt:				
Finance leases	(1,318,579)	551,347	-	(767,232)
Debts falling due within one year	(243,806)	265,425	(88,756)	(67,137)
Debts falling due after one year	(88,756)	-	88,756	-
Net debt	(3,691,932)	(1,004,090)	-	(4,696,022)

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

23 Capital commitments

	Group 2015 £	2014 £	Company 2015 £	2014 £
Contracted for but not provided in the financial statements	303,938	855,196	303,938	725,000

24 Commitments under operating leases

At 31 August 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Other 2015 £	2014 £
Expiry date: Between two and five years	7,339	6,336

25 Retirement Benefits

	2015 £	2014 £
Contributions payable by the group for the year	200,000	-

26 Contingent liabilities

Group

Ian Mosey Limited has guaranteed liabilities of its subsidiaries, Ian Mosey (Feed) Limited and Ian Mosey (Livestock) Limited. The guarantees are in respect of bank borrowings which at the period end amounted to £804,713 (2014 - £1,298,641) in respect of Ian Mosey (Feed) Limited and £808,240 (2014 - £739,151) in respect of Ian Mosey (Livestock) Limited. Bank borrowings are secured by way of a floating charge on the assets of the group.

IAN MOSEY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

27 Related party relationships and transactions

Group

The group has taken advantage of the exemption under Financial Reporting Standard No. 8 Related Party Transactions not to disclose transactions with other group entities.

During the year, the group traded with the B I & B M Partnership (the "partnership"), a partnership that comprises the directors of Ian Mosey Limited, on an arm's length basis.

The total purchases from and sales to the partnership during the year amounted to £373,886 (2014 - £57,824) and £138,233 (2014 - £159,003) respectively. At the year end debtors included £Nil (2014 - £25,101) due by the partnership and creditors due within one year of £175,667 (2014 - £Nil) owed to the partnership.

During the period the group sold freehold land to Mr B I Mosey for consideration of £235,000 (2014: £Nil). The consideration received was deemed to be equivalent to market value and was equal to the assets carrying value at the date of disposal.

During the period the group acquired freehold land for consideration of £Nil (2014 - £270,000) from Mr B I Mosey, director. The acquisition cost was deemed to be equivalent to market value.

28 Financial Instruments

At 31 August 2014 the group had entered into various forward contracts to fix the price of the purchase of certain raw materials. The total purchase commitment at 31 August 2014 was £4.9m. At 31 August 2015 no forward contracts were entered into and therefore the total purchase commitment was £nil at this date.

At 31 August 2014 the group was also party to an interest rate swap on its borrowings to take a floating rate loan to a fixed interest rate of 5%. The amount of the loan covered by the swap at 31 August 2014 was £162,200 and the notional amount swapped amortised in line with the loan repayments. At 31 August 2014 the fair value of the instrument was considered to be immaterial. At 31 August 2015 the group was not party to any interest rate swap on its borrowings and therefore the amount of the loan covered by the swap was £nil at this date.