

A G Parfett & Sons Limited

REPORT AND FINANCIAL STATEMENTS

for the year ended 30 June 2015



A G Parfett & Sons Limited

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A G Parfett & Sons Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Alan Godfrey Parfett
Patricia Marian Parfett
Stephen Parfett
Barbara Anne Ashcroft
Patricia Ann Parfett
Judith Parfett
David Grimes
Gregory Suszczenia
Andrew Whitworth (appointed 1st September 2015)

SECRETARY

David Grimes

REGISTERED OFFICE

Didsbury Road
Stockport
Cheshire
SK4 2JP

AUDITOR

RSM UK Audit LLP
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

BANKERS

Lloyds TSB Bank plc
Commercial Banking Service Centre
Norfolk House
7 Norfolk Street
Manchester
M2 1DW

Santander UK plc

Bridle Road
Bootle
Merseyside
L30 4GB

SOLICITORS

Pannone LLP
123 Deansgate
Manchester
M3 2BU

Field Fisher Waterhouse LLP
35 Vine Street
London
EC3N 2PX

A G Parfett & Sons Limited

STRATEGIC REPORT

BUSINESS REVIEW

The results for the year ended June 2015 are in line with our expectations given the challenging trading conditions in which we operate. Turnover increased marginally on 2014 whilst pre tax profits were down as we continue to invest in developing the business.

Tough trading conditions and intense competition for our customers show no sign of letting up. Our Go Local retail club is helping our retailers to deal with both and as a consequence member numbers and fascias are a real growth area for our business.

Credit is due to the hard work of all our colleagues. Throughout the business we are working harder for our customers than ever before and all our staff continue to benefit from our results through our Employee Ownership Bonus Scheme.

KEY PERFORMANCE INDICATORS

The Directors are focused on the KPI's of the business, the most important of which remain sales, margin, staff costs, cashflow, stock control and stock availability. Each week around 40 KPI's are measured and reviewed by the management team at the depots and they are normally joined by a director for this meeting.

Overall the business continues to trade satisfactorily and our colleagues, as majority owners of the business, are regularly updated with details of progress.

MATTERS OF STRATEGIC IMPORTANCE

Matters of strategic importance to the company have been included within the review of business above and future developments (see below).

FUTURE DEVELOPMENTS

Our market leading Go Local retail club and Symbol group continues to grow at pace, and is on track in the coming year to exceed 1500 retailers participating in the promotion, with a target of 200 of those stores to be under the Go Local Fascia symbol. Interest in Go Local fascias is starting to come from outside our historical geographical catchment area and we are now seeing stores located across the whole of the M62 corridor and into the cities and towns along the M1.

PRINCIPAL RISKS AND UNCERTAINTIES

Duty fraud continues to affect our market. We are hopeful that the introduction of the Alcohol Wholesale Registration Scheme in 2016 and a rigorous enforcement approach from HMRC will improve this situation.

The markets in which the company operates are highly competitive. As a result, there is a constant pressure on sales and margins.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company uses various financial instruments including loans, cash, items, such as trade debtors and trade creditors that arise directly from its operations, no transactions of a speculative nature are undertaken.

The main risks arising from the company's financial instruments are cash flow / liquidity risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. The company policy throughout the year has been to ensure continuity of funding and short-term flexibility is achieved by having appropriate overdraft facilities in place. The maturity of borrowings is set out in the notes to the financial statements.

The company finances its operations through retained profits and borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities. The floating rate facility is offset against credit balances.

A G Parfett & Sons Limited

STRATEGIC REPORT

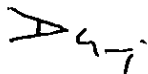
The company's principal financial assets are cash and trade debtors. The principal credit risk arises therefore from the company's trade debtors.

In order to manage credit risk the directors set limits for customers based on a combination of payment history, likely sales behaviour and third party credit references. Credit reviews are held with depot management on a regular basis in conjunction with debt ageing and collection history.

EMPLOYEES

It is the company's policy to provide disabled persons, within the limitation of their abilities, with the same opportunities in all respects of employment as those available to other employees. The employees, through the Parfett's Employee Ownership Trust, have an interest in 63.66% of the company's issued share capital. The directors place considerable value on the involvement of the company's employees; each operating branch adopts the practice of keeping its employees informed on matters affecting them as employees and on various factors affecting the performance of their business. This is achieved through elected staff councils at each location meeting both formally and informally with the directors and senior managers.

By order of the Board



DAVID GRIMES

Secretary

16 March 2016

A G Parfett & Sons Limited

DIRECTORS' REPORT

The directors present their annual report and the audited accounts for the year ended 30 June 2015

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of wholesalers of food, wine, spirits and cigarettes

RESULTS AND DIVIDENDS

The profit for the year after taxation was £1,803,363 (2014: £2,780,098). No interim dividend (2014: £nil) was paid. No final dividend (2014: £nil) was paid. The profit of £1,803,363 (2014: £2,780,098 profit) has been transferred to reserves.

DIRECTORS

The directors who served during the year were as follows:

Alan Godfrey Parfett
Patricia Marian Parfett
Stephen Parfett
Barbara Anne Ashcroft
Patricia Ann Parfett
Judith Parfett
David Grimes
Gregory Suszczenia

Directors' third party indemnity insurance was in force during the year.

STRATEGIC REPORT

Review of business, Key performance indicators, Future developments, Employees and Risk management are all included in the Strategic Report.

FIXED ASSETS

Changes in fixed assets are shown in notes 6, 7 and 8 to the accounts.

CHARITABLE CONTRIBUTIONS

During the year the company made various charitable contributions totalling £9,249 for the benefit of the community (2014: £15,868).

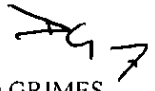
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed that as far as they are aware there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITORS

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) have indicated their willingness to continue in office.

By order of the Board


DAVID GRIMES
Secretary
16 March 2016

A G Parfett & Sons Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, Strategic 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 the profit or loss of the company for that period. In preparing those 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF A G PARFETT AND SONS LIMITED

We have audited the financial statements on pages 7 to 21. 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 auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the 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 company's affairs as at 30 June 2015 and of its 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, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

RSM UK Audit LLP

GRAHAM BOND FCA (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly BAKER TILLY UK AUDIT LLP), Statutory Auditor

Chartered Accountants

3 Hardman Street

Manchester

M3 3HF

17/3/16

A G Parfett & Sons Limited

PROFIT AND LOSS ACCOUNT

for the year ended 30 June 2015

	Notes	2015 £	2014 £
TURNOVER	1	310 418,197	308,765 026
Cost of sales		(290 390 137)	(288 565 083)
GROSS PROFIT		20,028 060	20 199 943
Administrative expenses		(17,625 031)	(16,524 157)
Other operating income		111,841	126,337
OPERATING PROFIT	2	2,514,870	3,802,123
Dividend income		161,286	162 838
Interest receivable and similar income		22 996	15,897
Interest payable	4	(339,857)	(400 548)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,359,295	3 580,310
Tax on profit on ordinary activities	5	(555 932)	(800 212)
PROFIT FOR THE FINANCIAL YEAR		1,803,363	2,780 098

The operating profit for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss account

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2015 £	2014 £
Profit on ordinary activities before tax	2,359 295	3,580 310
Difference between historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	118,991	118,867
Historical cost profit on ordinary activities before tax	2,478,286	3,699,177
Historical cost profit for the year retained after tax	1,922,354	2,898,965

As at 30 June 2015

The financial statements on pages 7 to 21 were approved by the board of directors and authorised for issue on 16/3/16 and are signed on its behalf by

Signature: _____
 ID Number: 1472970

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} Directors
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Company Registration Number 1472970

A G Parfett & Sons Limited

CASH FLOW STATEMENT

for the year ended 30 June 2015

	Note	2015 £	2014 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	1	2,696,962	5 939,759
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Dividend income	161 286	162,838	
Interest received	22,996	15,897	
Interest paid	(339 857)	(400 548)	
Net cash outflow from returns on investments and servicing of finance		(155,575)	(221,813)
TAXATION			
UK Corporation tax paid		(739 309)	(1 397 636)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible fixed assets	(348,814)	(694,278)	
Receipts from investments	27,000	31,832	
Receipts from sales of tangible fixed assets	500	276,977	
Net cash outflow from capital expenditure and investing activities		(321 314)	(385,469)
Net cash inflow before financing		1 480 764	3,934 841
FINANCING			
Loan repayment		(1,589,876)	(1,544 080)
(DECREASE) / INCREASE IN CASH	2	(109 112)	2,390,761

Notes to the cashflow statement follow on page 10

A G Parfett & Sons Limited

NOTES TO THE CASH FLOW STATEMENT

1 Reconciliation of operating profit to net cash inflow from operating activities

	2015 £	2014 £
Operating profit	2,514,870	3 802,123
Depreciation	1,015 633	1 028,026
Amortisation of goodwill	40 631	49,069
Impairment of investments	-	9 468
(Profit) / Loss on sale of tangible/intangible fixed assets	(498)	4,935
(Increase) / Decrease in stocks	(2 662,746)	658 814
Decrease / (Increase) in debtors	2 082 408	(3 015 587)
(Decrease) / Increase in creditors	(293 336)	3 402 911
	<u>2,696 962</u>	<u>5,939 759</u>

2 Reconciliation of net cash flow to movements in net debt

	2015 £	2014 £
(Decrease) / Increase in cash	(109,112)	2,390 761
Loan repayments	1,589 876	1 544 080
	<u>1,480,764</u>	<u>3 934 841</u>
Changes in net funds resulting from cash flows	2 732,933	(1 201 908)
Net debt at 1 July	<u>4,213 697</u>	<u>2 732 933</u>

3 Analysis of changes in net debt

	At 1 July 2014 £	Cash flows £	Other changes £	At 30 June 2015 £
Cash at bank and in hand	15,056,969	(109,112)	-	14,947,857
	<u>15,056,969</u>	<u>(109,112)</u>	<u>-</u>	<u>14,947,857</u>
Debt due within one year	(1,589,876)	1,589 876	(1,638,436)	(1,638,436)
Debt due after one year	(10,734,160)	-	1 638,436	(9 095,724)
	<u>2 732,933</u>	<u>1 480,764</u>	<u>-</u>	<u>4,213,697</u>

A G Parfett & Sons Limited

ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain freehold land and buildings, and are in accordance with applicable UK accounting standards

BASIS OF ACCOUNTING

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts

GOING CONCERN

As part of its going concern review the Board has followed the guidelines published by the Financial Reporting Council entitled 'Going Concern and Liquidity Risk Guidance for UK Companies 2009'. The Board has prepared detailed financial forecasts and cash flows looking 12 months ahead from the date the accounts are signed. In drawing up these forecasts the Board has made assumptions based upon its view of the current and future economic conditions that will prevail over the forecast period. The timing of the cash flows and covenants in respect of bank loans provided have been taken into consideration and in addition to the forecasts we have also considered how the business might be affected by foreseeable turnover scenarios. These do not lead us to believe that we face significant difficulties but should we do so we are confident we could adjust costs accordingly.

The Company has an agreed 12 month banking facility, which is due for renewal on 31 March 2016 and due to the strong relationship with their bankers it is anticipated that this will be renewed at the appropriate time.

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

EXEMPTION FROM PREPARING CONSOLIDATED ACCOUNTS

In accordance with S402 of the Companies Act 2006 the wholly owned subsidiary has not been consolidated on the grounds that it is immaterial for the purposes of a true and fair view (individually and collectively). The financial statements therefore present information about the company as an individual undertaking and not about its group.

TURNOVER AND REVENUE RECOGNITION

Turnover represents amounts excluding value added tax, derived from the provision of goods to third party customers during the year. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably and receipt of payment is probable.

INTANGIBLE ASSETS

Intangible assets are initially recorded at cost and amortised at rates calculated to write off the cost over a 20 year period. The annual amortisation rate used is as follows:

Purchased Goodwill	5%	straight line
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The carrying values of intangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

FIXED ASSETS

Fixed assets are stated at historical cost other than freehold land and buildings which are held at the revalued amount.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value of each asset evenly over its expected useful life. The annual depreciation rates used are as follows:

Freehold buildings	2%	straight line
Leasehold land and buildings	5%	straight line
Computer equipment	25%	straight line
Fork lift trucks	20%	straight line
Other plant machinery fixtures and fittings	15%	reducing balance
Motor vehicles	25%	reducing balance

Freehold land is not depreciated.

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying values may not be recoverable.

A G Parfett & Sons Limited

ACCOUNTING POLICIES

INVESTMENTS

Long term investments are classified as fixed assets. Fixed asset investments are stated at cost less provision for any permanent diminution in value.

STOCKS

Stocks, representing goods for resale, are valued on a first in, first out basis at the lower of cost and net realisable value.

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 have occurred at that date which will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposals of fixed assets that have been rolled over into replacement assets only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Balances denominated in foreign currencies are re-translated into sterling at the rate of exchange ruling at the balance sheet date. Any exchange differences are taken to the profit and loss account.

PENSION COSTS

The company operates defined contribution pension schemes. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Contributions are specified in the scheme rules.

OPERATING LEASE AGREEMENTS

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.

EMPLOYEE OWNERSHIP TRUST

In accordance with UITF 32 Employee Benefit Trusts, investment in the company's own shares which are held for the benefit of beneficiaries of the Employee Ownership Trust are shown as a deduction from shareholder's funds. At the year end all shares held have not been allocated to employees of the company.

As the company has de facto control over the Employee Ownership Trust the assets and liabilities of the trust have been included within the assets and liabilities of the company.

FINANCIAL INSTRUMENTS

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

A G Parfett & Sons Limited

NOTES TO THE ACCOUNTS

1 TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced by the company in respect of goods sold and services provided during the year. Turnover relates to the continuing principal activity as described in the directors' report on page 4.

Analysis of turnover is given by

	2015 £	2014 £
UK	307,199,680	305,074,176
Europe	2,215,777	2,583,300
Rest of the World	1,002,740	1,107,550
	<u>310,418,197</u>	<u>308,765,026</u>

2 OPERATING PROFIT

This is stated after charging the following

	2015 £	2014 £
Depreciation of owned tangible fixed assets	1,015,633	1,028,026
Amortisation of goodwill	40,631	49,069
Impairment on investment	-	9,468
Loss on disposal of fixed assets	-	4,935
Auditors' remuneration – audit services	32,556	31,919
– tax compliance	7,235	7,630
Operating leases – plant and machinery	29,496	77,282
Operating leases – vehicles	201,274	175,725
Operating leases – land and buildings	31,790	36,280
	<u>1,298,585</u>	<u>1,389,325</u>

and after crediting the following

	£	£
Rental income	40,519	41,700
Profit on disposal of fixed assets	498	-
	<u>41,017</u>	<u>41,700</u>

3 PARTICULARS OF EMPLOYEES

The average number of persons (including directors) employed by the company during the year was as follows

	2015 No	2014 No
Management and administration	124	123
Warehouse and sales	425	418
	<u>549</u>	<u>541</u>

A G Parfett & Sons Limited

NOTES TO THE ACCOUNTS

3 PARTICULARS OF EMPLOYEES (*continued*)

The aggregate payroll costs of the above were as follows	2015	2014
	£	£
Wages and salaries	10,237,880	9 814 706
Social security costs	848 072	823 898
Other pension costs	693,551	543,819
	<u>11,779,503</u>	<u>11,182 423</u>

Details of directors' emoluments are set out below

	2015	2014
	£	£
Emoluments receivable	761,666	771,901
Value of company pension contributions to defined contribution schemes	157,518	55 071

	2015	2014
	No	No
Members of defined contributions pension scheme	<u>5</u>	<u>5</u>

Emoluments of highest paid director

	2015	2014
	£	£
Total emoluments (excluding pension contributions)	310 122	311 081
Pension contribution	<u>79 954</u>	<u>25 399</u>

4 INTEREST PAYABLE

	2015	2014
	£	£
Bank loans and overdrafts wholly repayable within two to five years	323 887	370 501
Bank loans and overdrafts not wholly repayable within five years	15 970	30 047
Total	<u>339 857</u>	<u>400 548</u>

A G Parfett & Sons Limited

NOTES TO THE ACCOUNTS

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2015 £	2014 £
UK corporation tax	543,586	857,800
Overprovision in prior year	(1,194)	(9,488)
Total current tax	<u>542,392</u>	<u>848,312</u>
Deferred tax		
Deferred tax movements (note 12)	13,540	(48,100)
Tax on profit on ordinary activities	<u>555,932</u>	<u>800,212</u>

	2015 £	2014 £
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Factors affecting current tax charge

The tax assessed for the year is at the standard rate of corporation tax in the UK 20.75% (2014 22.5%). The differences are explained below

Profit on ordinary activities before tax	<u>2,359,295</u>	<u>3,580,310</u>
Profit on ordinary activities multiplied by the composite rate of corporation tax in the UK of 20.75 % (2014 22.5%)	489,554	805,570
Effects of		
Capital allowances in excess of depreciation	88,979	67,636
Expenses not deductible for tax purposes	10,906	24,068
Franked investment income	(33,468)	(36,639)
Amounts in respect of prior periods	(1,194)	(9,488)
Short term timing differences	(12,385)	(2,835)
Current tax charge for the period	<u>542,392</u>	<u>848,312</u>

A G Parfett & Sons Limited

NOTES TO THE ACCOUNTS

6 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant machinery, fixtures and fittings £	Motor vehicles £	Leasehold land and buildings £	Total £
Cost or valuation					
At 1 July 2014	26,672,861	15,182,782	83,184	252,625	42,191,452
Additions	69,503	227,965	-	51,346	348,814
Disposals	-	(39,672)	-	-	(39,672)
At 30 June 2015	26,742,364	15,371,075	83,184	303,971	42,500,594
Depreciation					
At 1 July 2014	2,331,269	12,411,541	65,558	38,735	14,847,103
Charge for the year	472,622	523,407	4,406	15,198	1,015,633
Disposals	-	(39,670)	-	-	(39,670)
At 30 June 2015	2,803,891	12,895,278	69,964	53,933	15,823,066
Net Book Value					
At 30 June 2015	23,938,473	2,475,797	13,220	250,038	26,677,528
At 30 June 2014	24,341,592	2,771,241	17,626	213,890	27,344,349

Included within Freehold land and buildings is land at a valuation of £3,119,542 (2014 £3,119,542) which is not depreciated

A valuation of freehold land and buildings was carried out on the basis of Market Value on 16th October 2014. The valuation was carried out by Greenham Commercial Limited in accordance with the RICS Appraisal and Valuation Manual. In the opinion of the directors, under FRS 15, taking account of notional directly attributable acquisition costs and trade specific adaptations, there is no material difference between the carrying value of the properties and the revaluation.

On the historical cost basis, freehold land and buildings would have been included as follows:

Cost	£
At 1 July 2014	19,323,124
Additions	69,503
At 30 June 2015	19,392,627
Cumulative depreciation based on cost	
At 1 July 2014	5,579,671
At 30 June 2015	5,933,302

A G Parfett & Sons Limited

NOTES TO THE ACCOUNTS

7 INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 July 2014	1,925,315
At 30 June 2015	<u>1,925,315</u>
Amortisation	
At 1 July 2014	1,353,908
Charge for the year	40,631
At 30 June 2015	<u>1,394,539</u>
Net Book Value	
At 30 June 2015	<u>530,776</u>
At 30 June 2014	<u>571,407</u>

8 INVESTMENTS

	Subsidiary Undertakings £	Other Investment Loan £	Other Investment Shares £	Investment in Enterprise Zone Trusts £	Total £
Cost at 1 July 2014	1	321,761	26,640	184,768	533,170
Repayment received in year	-	(27,000)	-	-	(27,000)
Cost at 30 June 2015	<u>1</u>	<u>294,761</u>	<u>26,640</u>	<u>184,768</u>	<u>506,170</u>
Provisions					
At 1 July 2014 and at 30 June 2015	-	(257,961)	(26,639)	(184,768)	(469,368)
Net Book Value					
30 June 2015	<u>1</u>	<u>36,800</u>	<u>1</u>	<u>-</u>	<u>36,802</u>
30 June 2014	<u>1</u>	<u>63,800</u>	<u>1</u>	<u>-</u>	<u>63,802</u>

The company owns 100% of the issued share capital of Parfett's Employee Trust Limited a dormant company incorporated in England and Wales

A G Parfett & Sons Limited

NOTES TO THE ACCOUNTS

9 DEBTORS

	2015 £	2014 £
Due within one year		
Trade debtors	13 519 926	16,003,519
Other debtors	916 902	936,973
Prepayments	1,097,375	676 119
	<u>15 534 203</u>	<u>17,616 611</u>

10 CREDITORS Amounts falling due within one year

	2015 £	2014 £
Bank loan	1,638 436	1 588 400
Carbon trust loan	-	1 476
Trade creditors	41,242,066	39 830,601
Corporation tax	150 883	347,799
Other taxation and social security	474 832	2 327 687
Accruals	1,223 476	1,075 422
	<u>44 729 693</u>	<u>45 171 386</u>

The company has a bank overdraft facility which is secured by a debenture on all the company's assets. The bank loan is also secured by a debenture on all the company's assets.

11 CREDITORS Amounts falling due after more than one year

	2015 £	2014 £
Bank loan	9,095,724	10 734,160
	<u>9 095,724</u>	<u>10 734 160</u>

The bank loan is repayable by variable monthly instalments over a period of 14 years commencing April 2009. The first tranche of £10,000,000 is at a fixed rate of 5.8% for 6.4 years from November 2010. The second tranche of £10,000,000 is at an interest rate of 1.4% above base for 1 year followed by 1.5% above base for the remainder of the term.

The bank loan is secured against all the company's assets.

The above loans are repayable	2015 £	2014 £
Within one year	1,638,436	1,589,876
Between one and two years	4,929 114	1 638,436
Between two and five years	2,142,828	6 357,666
Over five years	2,023,782	2 738,058
	<u>10,734 160</u>	<u>12,324 036</u>

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NOTES TO THE ACCOUNTS

12 DEFERRED TAXATION

	2015 £	2014 £
The movement in the deferred taxation provision during the year was		
Provision brought forward	565,318	613,418
Origination and reversal of timing differences	13,540	(48,100)
Provision carried forward	<u>578 858</u>	<u>565,318</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2015 £	2014 £
Excess of capital allowances over depreciation	614 770	613 232
Other short term timing differences	(35 912)	(47,914)
	<u>578 858</u>	<u>565 318</u>

The tax on the gains arising from the revaluation would only become payable if the property were sold without rollover relief or capital losses being available. Additional tax arising on the revaluation gain of £11 654 994 would be approximately £2,097,899 (2014 £2,622 374) (before indexation allowance and capital allowances) and has not been recognised

13 COMMITMENTS UNDER OPERATING LEASES

At the balance sheet date the company had annual commitments under non-cancellable operating leases as set out below

	Land and Buildings 2015 £	Land and Buildings 2014 £	Plant and machinery 2015 £	Plant and machinery 2014 £
Operating leases which expire				
In less than one year	-	-	14,953	31 722
In one to two years	-	-	14,518	44 536
In two to five years	-	-	128,261	75 101
Over five years	35 300	33 500	-	-
Total	<u>35 300</u>	<u>33,500</u>	<u>157 732</u>	<u>151 359</u>

14 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions conferred by FRS 8 from disclosing transactions with wholly-owned fellow group undertakings

D Grimes and G Suszczenia have guaranteed certain of the company's third party liabilities since 1st October 2013. At the year end these amounted to £12 476,933 (2014 £13 239 055)

D Grimes serves as a director of Landmark Wholesale

A G Parfett & Sons Limited

NOTES TO THE ACCOUNTS

15 SHARE CAPITAL	2015 £	2014 £
Authorised 50,000 Ordinary shares of £1 each	50,000	50 000
Allotted, called up and fully paid 20,000 Ordinary shares of £1 each	20,000	20 000

16 RESERVES	Revaluation reserve £	Profit and loss account £	Total £
Balance at 1 July 2014	10 598,139	42,969,978	53 568 117
Retained profit for the year	-	1 803 363	1 803 363
Transfer in respect of depreciation on revalued buildings	(118 991)	118,991	-
Balance at 30 June 2015	10,479,148	44,892,332	55 371 480

17 OWN SHARES HELD BY EMPLOYEE OWNERSHIP TRUST	2015 £	2014 £
Employee Ownership Trust	20,000 000	20,000 000

On 4th April 2008, the Parfett's Employee Ownership Trust purchased 11,000 £1 ordinary shares of the company's issued shares. In accordance with UITF 32 these shares are included in the company's financial statements. On 4th April 2014 a further 1,732 shares were transferred to the Employee Ownership Trust for no consideration.

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2015 £	2014 £
Retained profit for the year	1 803 363	2 780 098
Shareholders' funds at 1 July	33 588 117	30,808,019
Shareholders' funds at 30 June	35,391,480	33,588,117

19 CAPITAL COMMITMENTS

Capital expenditure commitments (authorised and contracted) at 30 June 2015 was £38,214 (2014 £46 394)

20 PENSIONS

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £693 551 (2014 £543,819).

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NOTES TO THE ACCOUNTS

21 CONTROLLING PARTIES

As of 4 April 2014 Parfett's Employee Ownership Trust is the owner of 63.66% of the ordinary shares of the company, the other 36.34% being owned by the directors of the company. In the opinion of the directors, there is no single controlling party.

22 POST BALANCE SHEET EVENTS

On the 20th November 2015 Parfett's Employee Ownership Trust completed the purchase of the remaining 36.34% of the ordinary shares of the company. In the opinion of the directors there remains no single controlling party.