

DOVES FARM FOODS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015



DOVES FARM FOODS LIMITED

COMPANY INFORMATION

DIRECTORS

M J Marriage
C E Marriage

COMPANY SECRETARY

C E Marriage

REGISTERED NUMBER

02301391

REGISTERED OFFICE

Salisbury Road
Hungerford
Berkshire
RG17 0RF

INDEPENDENT AUDITOR

James Cowper Kreston
Chartered Accountants and Statutory Auditor
Mill House
Overbridge Square
Hambridge Lane
Newbury
RG14 5UX

DOVES FARM FOODS LIMITED

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DOVES FARM FOODS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2015

BUSINESS REVIEW

The directors aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end.

Our review is consistent with the size and nature of the business and is written in the context of the risks and uncertainties which the company faces.

The company has had another successful year in milling, baking and selling organic and gluten free flours and foods, of which all bakery products currently meet Fair Trade and Organic status.

Doves Farm Foods focused on the growing market for gluten free and fair trade products which are becoming more and more popular within today's society. The great majority of products are also organic and this market is showing some better signs of recovering as the economy picks up. This is reflected in an increase in demand from the larger retailers. During the year the company has continued to develop, with sales growth of around 8%. This growth has been in a variety of sectors, both retail and in industrial supplies to food manufacturers, but mainly supplying gluten free products.

The company is further developing the larger site by planting and landscaping the extended boundary area, this area of 5 acres should give sufficient space for expansion for some years to come.

PRINCIPAL RISKS AND UNCERTAINTIES

A risk to the business is the price volatility and supply of grain, this market has been quite high priced but now the grain prices are decreasing so customers expect lower flour prices. Over-capacity in the UK and European milling industry means that competition in the market place is such that finished product and shelf prices are under downward pressure, these factors are outside of the control of the directors. There is always the risk of successful Doves Farm products being copied by supermarket own label versions and we have been pressurised by some retail customers to produce own label versions of our own products, this results in greater production complications and lower margins for our business. To counter this we run a dynamic research and development budget.

The weakness of the Euro currency means the many ingredients and products we purchase in Euros have cost us less in Sterling. This has had a beneficial effect on the margin of some products but has made the export trade more difficult although it continues to grow. We now supply our goods directly to over 20 countries. The internet shop continues to expand and more resources are being put into this area.

FINANCIAL KEY PERFORMANCE INDICATORS

The company has great strength in that it is very well financed, has no borrowings and invests out of retained cash, but interest rates on our savings are negligible. Any cash being held by the company is destined to fund planned business expansion; it is definitely not seen as a useful investment in itself.

Further to this, due to our prominent position in the supply of gluten free and special diet products, food safety and contamination are always a risk to the company. Although these are minimised by tight controls and the continuous review of these controls and procedures within the day to day activity of the company. This includes the use of internal testing and audits, also external audits. We hold Grade A status with the major BRC audit.

Given the growing nature of the business, the company's directors have introduced financial and production Key Performance Indicators which give a better control and understanding of the development, performance and position of the entity.

MANAGEMENT AND CONTINUITY

The company has great strength in that it is very well financed, has no borrowings and invests out of retained cash, but interest rates on our savings are negligible. Any cash being held by the company is destined to fund planned business expansion; it is definitely not seen as a useful investment in itself.

DOVES FARM FOODS LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2015**

Further to this, due to our prominent position in the supply of gluten free and special diet products, food safety and contamination are always a risk to the company. Although these are minimised by tight controls and the continuous review of these controls and procedures within the day to day activity of the company. This includes the use of internal testing and audits, also external audits. We hold Grade A status with the major BRC audit.

Given the growing nature of the business, the company's directors have introduced financial and production Key Performance Indicators which give a better control and understanding of the development, performance and position of the entity.

This report was approved by the board on

15.3.2016

and signed on its behalf.

C E Marriage
Director

A handwritten signature in black ink, appearing to read 'C Marriage', with a large, stylized loop at the end.

DOVES FARM FOODS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2015

The directors present their report and the audited financial statements for the year ended 30 June 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

DIRECTORS

The directors who served during the year were:

M J Marriage
C E Marriage

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, James Cowper Kreston, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DOVES FARM FOODS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

This report was approved by the board and signed on its behalf.

C E Marriage
Director

Date:

C Marriage
15.3.2016

DOVES FARM FOODS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DOVES FARM FOODS LIMITED

We have audited the financial statements of Doves Farm Foods Limited for the year ended 30 June 2015, set out on pages 7 to 18. 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 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. 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 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 www.frc.org.uk/auditscopeukprivate.

UNQUALIFIED 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.

DOVES FARM FOODS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DOVES FARM FOODS LIMITED

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.



Robert Holland BSc FCA (Senior Statutory Auditor)

for and on behalf of
James Cowper Kreston

Chartered Accountants and Statutory Auditor

Mill House
Overbridge Square
Hambridge Lane
Newbury
RG14 5UX
Date:

18.3.16

DOVES FARM FOODS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	16,124,373	15,622,212
Cost of sales		(11,446,698)	(11,807,838)
GROSS PROFIT		4,677,675	3,814,374
Distribution costs		(948,447)	(824,067)
Administrative expenses		(1,236,823)	(1,215,844)
OPERATING PROFIT	3	2,492,405	1,774,463
Interest receivable and similar income		16,602	22,031
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,509,007	1,796,494
Tax on profit on ordinary activities	6	(527,926)	(356,505)
PROFIT FOR THE FINANCIAL YEAR	13	1,981,081	1,439,989

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 10 to 18 form part of these financial statements.

DOVES FARM FOODS LIMITED
REGISTERED NUMBER: 02301391

BALANCE SHEET
AS AT 30 JUNE 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	7		4,384,378		3,762,671
CURRENT ASSETS					
Stocks	8	1,391,569		1,399,502	
Debtors	9	3,016,876		2,984,002	
Cash at bank and in hand		4,991,109		3,719,736	
		<u>9,399,554</u>		<u>8,103,240</u>	
CREDITORS: amounts falling due within one year	10	<u>(1,793,449)</u>		<u>(1,450,359)</u>	
NET CURRENT ASSETS			<u>7,606,105</u>		<u>6,652,881</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,990,483</u>		<u>10,415,552</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	11		<u>(284,942)</u>		<u>(211,092)</u>
NET ASSETS			<u><u>11,705,541</u></u>		<u><u>10,204,460</u></u>
CAPITAL AND RESERVES					
Called up share capital	12		20,000		20,000
Profit and loss account	13		<u>11,685,541</u>		<u>10,184,460</u>
SHAREHOLDERS' FUNDS	14		<u><u>11,705,541</u></u>		<u><u>10,204,460</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M J Marriage
Director

Date:

M J Marriage
14-3-16

The notes on pages 10 to 18 form part of these financial statements.

DOVES FARM FOODS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	16	3,239,754	1,838,991
Returns on investments and servicing of finance	17	16,602	22,031
Taxation		(392,916)	(556,908)
Capital expenditure and financial investment	17	(1,112,067)	(212,324)
Equity dividends paid		(480,000)	(80,000)
INCREASE IN CASH IN THE YEAR		1,271,373	1,011,790

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 30 JUNE 2015**

	2015 £	2014 £
Increase in cash in the year	1,271,373	1,011,790
MOVEMENT IN NET DEBT IN THE YEAR	1,271,373	1,011,790
Net funds at 1 July 2014	3,719,736	2,707,946
NET FUNDS AT 30 JUNE 2015	4,991,109	3,719,736

The notes on pages 10 to 18 form part of these financial statements.

DOVES FARM FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	-	4% straight line
Plant & machinery	-	10-20% reducing balance
Motor vehicles	-	25% reducing balance
Computer equipment	-	20-33% straight line

1.4 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

DOVES FARM FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. ACCOUNTING POLICIES (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.8 Research and development

Expenditure on research and development is written off to the Profit and loss account.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

The whole of the turnover is attributable to the sale of flours and foods.

93% of turnover arose within the United Kingdom, 6% related to European sales and 1% in Rest of World.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	501,192	476,220
Auditor's remuneration	10,400	10,100
Auditor's remuneration - non-audit	1,865	267
Operating lease rentals:		
- other operating leases	140,959	113,059
Difference on foreign exchange	(138,077)	(48,767)
Research and development expenditure written off	92,000	80,674
	<u> </u>	<u> </u>

DOVES FARM FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	1,708,547	1,679,600
Social security costs	156,789	145,729
Other pension costs	-	50,000
	<u>1,865,336</u>	<u>1,875,329</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Office and management	24	24
Production and sales	47	40
	<u>71</u>	<u>64</u>

5. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	<u>75,337</u>	<u>78,229</u>
Company pension contributions to defined contribution pension schemes	<u>-</u>	<u>50,000</u>

During the year retirement benefits were accruing to 2 directors (2014 - 2) in respect of defined contribution pension schemes.

6. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	454,076	373,356
Deferred tax (see note 11)		
Origination and reversal of timing differences	73,850	(16,851)
Tax on profit on ordinary activities	<u>527,926</u>	<u>356,505</u>

DOVES FARM FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

6. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.75% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>2,509,007</u>	<u>1,796,494</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014 - 23%)	520,636	404,236
Effects of:		
Expenses not deductible for tax purposes	433	301
Capital allowances for year in excess of depreciation	(76,621)	(14,492)
Additional deduction for R&D expenditure	-	(18,898)
Fixed asset differences	13,562	12,753
Adjustments to tax charge in respect of prior periods	(3,934)	(10,544)
Current tax charge for the year (see note above)	<u><u>454,076</u></u>	<u><u>373,356</u></u>

7. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Plant & machinery £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 July 2014	1,535,681	4,925,524	67,820	266,283	6,795,308
Additions	276,629	733,919	90,075	31,444	1,132,067
Disposals	-	(39,217)	(62,495)	(10,215)	(111,927)
At 30 June 2015	<u>1,812,310</u>	<u>5,620,226</u>	<u>95,400</u>	<u>287,512</u>	<u>7,815,448</u>
Depreciation					
At 1 July 2014	414,923	2,393,417	60,221	164,076	3,032,637
Charge for the year	61,428	375,489	24,419	39,856	501,192
On disposals	-	(35,523)	(57,021)	(10,215)	(102,759)
At 30 June 2015	<u>476,351</u>	<u>2,733,383</u>	<u>27,619</u>	<u>193,717</u>	<u>3,431,070</u>
Net book value					
At 30 June 2015	<u><u>1,335,959</u></u>	<u><u>2,886,843</u></u>	<u><u>67,781</u></u>	<u><u>93,795</u></u>	<u><u>4,384,378</u></u>
At 30 June 2014	<u><u>1,120,758</u></u>	<u><u>2,532,107</u></u>	<u><u>7,599</u></u>	<u><u>102,207</u></u>	<u><u>3,762,671</u></u>

DOVES FARM FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

8. STOCKS

	2015 £	2014 £
Raw materials	586,241	583,990
Finished goods and goods for resale	805,328	815,512
	<u>1,391,569</u>	<u>1,399,502</u>

9. DEBTORS

	2015 £	2014 £
Trade debtors	2,557,579	2,639,584
Other debtors	246,500	174,879
Prepayments and accrued income	212,797	169,539
	<u>3,016,876</u>	<u>2,984,002</u>

**10. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	982,417	982,029
Corporation tax	242,909	181,749
Other taxation and social security	44,175	37,275
Other creditors	475,858	180,754
Accruals and deferred income	48,090	68,552
	<u>1,793,449</u>	<u>1,450,359</u>

11. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	211,092	227,943
Charge for/(released during) year (P&L)	73,850	(16,851)
	<u>284,942</u>	<u>211,092</u>

DOVES FARM FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

11. DEFERRED TAXATION (continued)

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	211,092	211,092
Short term timing differences	73,850	-
	<u>284,942</u>	<u>211,092</u>

12. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
10,000 Ordinary A shares of £1 each	10,000	10,000
10,000 Ordinary B shares of £1 each	10,000	10,000
	<u>20,000</u>	<u>20,000</u>

13. RESERVES

	Profit and loss account £
At 1 July 2014	10,184,460
Profit for the financial year	1,981,081
Dividends: Equity capital	(480,000)
At 30 June 2015	<u>11,685,541</u>

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	10,204,460	8,844,471
Profit for the financial year	1,981,081	1,439,989
Dividends (Note 15)	(480,000)	(80,000)
Closing shareholders' funds	<u>11,705,541</u>	<u>10,204,460</u>

DOVES FARM FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

15. DIVIDENDS

	2015 £	2014 £
Dividends paid on equity capital	<u>480,000</u>	<u>80,000</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	2,492,405	1,774,463
Depreciation of tangible fixed assets	501,192	476,220
(Profit)/loss on disposal of tangible fixed assets	(10,832)	36
Decrease in stocks	7,932	213,191
Increase in debtors	(32,874)	(463,406)
Increase/(decrease) in creditors	281,931	(161,513)
Net cash inflow from operating activities	<u>3,239,754</u>	<u>1,838,991</u>

DOVES FARM FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	16,602	22,031
	<u>16,602</u>	<u>22,031</u>
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,132,067)	(212,774)
Sale of tangible fixed assets	20,000	450
	<u>(1,112,067)</u>	<u>(212,324)</u>
Net cash outflow from capital expenditure	<u>(1,112,067)</u>	<u>(212,324)</u>

18. ANALYSIS OF CHANGES IN NET FUNDS

	1 July 2014 £	Cash flow £	Other non-cash changes £	30 June 2015 £
Cash at bank and in hand	3,719,736	1,271,373	-	4,991,109
Net funds	<u>3,719,736</u>	<u>1,271,373</u>	<u>-</u>	<u>4,991,109</u>

19. CAPITAL COMMITMENTS

At 30 June 2015 the company had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	656,528	61,000
	<u>656,528</u>	<u>61,000</u>

20. PENSION COMMITMENTS

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £nil (2014: £50,000). No contributions were outstanding at 30 June 2015.

DOVES FARM FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

21. OPERATING LEASE COMMITMENTS

At 30 June 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
	£	£
Expiry date:		
After more than 5 years	55,000	55,000

22. RELATED PARTY TRANSACTIONS

During the year the company entered into transactions with the director Mr M J Marriage, trading as Doves Farm, for the purchase of organic grain to the value of £21,574 (2014: £28,830). Salaries were also recharged amounting to £48,036 (2014: £44,143) to the same party. All transactions were on an arms length basis. As at the year end the company was owed £7,392 (2014: £2,935) by Mr M J Marriage.

During the year, the company occupied land and buildings owned by the directors to whom £55,000 (2014: £55,000) rent was paid.

Neither director was paid a dividend in the year (2014: £nil). One family shareholder received a dividend of £480,000 during the year - of which £400,000 was loaned back to the company long term.

At the year end, the directors were due royalty payments of £75,858 (2014: £73,632) from the company for the use of the trademarks owned by the directors.

Membership costs of £500 (2014: £nil) were paid to from Slow Food Trust UK - a company of which Clare Marriage is a director.

23. CONTROLLING PARTY

The company is controlled by Mr and Mrs M J Marriage, the directors of the company, who are also the company's ultimate controlling parties.