Company Registration No. 00026233 (England and Wales)

WILKIN & SONS LIMITED

REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

WILKIN & SONS LIMITED

COMPANY INFORMATION

Directors	Walter W. Scott B.Sc. (Chairman) Peter J. Wilkin B.Sc. (Hort.), M.S (Non Executive Director) Stuart A. James B.Sc., F.C.A. (Non Executive Director) Christopher W. Newenham B.Sc., M.B.A. (Joint Managing Director) Scott P. Goodfellow B.Eng. (Joint Managing Director) R. Georgina Offord B.A., F.C.C.A. (Finance Director)
Secretary	R. Georgina Offord B.A., F.C.C.A.
Company number	00026233
Registered office	Trewlands Farm, Tiptree, Essex, CO5 0RF
Auditors	RSM UK Audit LLP, Marlborough House, Victoria Road South, Chelmsford, Essex, CM1 1LN
Bankers	Barclays Bank Plc, 59 Newland Street, Witham, Essex, CM8 2AJ

WILKIN & SONS LIMITED

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

Coronavirus and the subsequent Covid19 dominated our year, I have not seen anything like this in my lifetime and I am sure it will affect our business for a long time.

Having said that we have produced a remarkable set of results, far better than we dared hope for given the circumstances. Once again the details of these results are discussed later in this report, the Directors are recommending a dividend of 8p to reflect the difficulty of the situation we encountered.

The year began brightly with a visit from Their Royal Highnesses The Earl and Countess of Wessex on 10th March, they thoroughly enjoyed their visit, as did we, both engaged with all they met and we were extremely proud to host them.

Unfortunately this was soon forgotten as we went into the first lockdown in late March, everything looked particularly bleak at this point, our Tea Rooms closed, the Patisserie business was decimated with the closure of all their customers and Tiptree Jam was hit with the lack of demand for Food Service following the closure of restaurants and the restriction of travel. However, as mentioned in previous reports our diversification strategy once again stood us in good stead with the remaining parts of our business performing particularly well for the rest of the year.

Again, the Farm and Thursday Cottage have to be mentioned for particularly good results, as does Cole's, these either exceeded or were on a par with last year. However, results are not everything, and we are particularly proud of the reaction of all our staff during the pandemic, all were flexible with several working in areas strange to them, for example tea room staff worked in the factory, a totally different environment for them, some went into the fields picking strawberries, a very physical task compared to office based work. Special mention has to be made of the Patisserie, it seemed to be left with no business at all, but it set to work with home deliveries, particularly of cream teas which hit the right spot, as a consequence of this effort the final performance of Tiptree Patisserie was much better than expected. It was wonderful to witness such spirit, well done to all.

I cannot thank the Executive Directors enough for the way in which they tackled this adversity, they inspired and directed everyone to perform minor miracles. We all learned about the word 'furlough', only having heard of it in military terms before. Another word we encountered was redundancy, we were, of course, familiar with this word but had rarely used it in our organisation, unfortunately, there were several of these, the majority of them voluntary. Two leavers to mention are David Cross, after 60 years' service, we spoke of him last year and Mary Beal after 50 years, we are all much richer for having known and worked with these two long serving members of staff.

So onto 2021, we will have to reset targets, look in depth at our Business and see what we have learned from this adversity that will prepare us for the future. We have the right people in the right places to continue taking our wonderful and well-respected company forward. One word I haven't used yet is Brexit; we are prepared and ready.

Walter W. Scott
Chairman

Date: 8th April 2021

The directors present the strategic report for the year ended 31 December 2020.

2020 has been a year which will live long in our memories. Dealing simultaneously with the twin challenges of Brexit and then Covid-19 has seen all parts of the business tested like never before. Great credit must go to my fellow Directors and all of our extraordinary staff who have dug deep and ensured that despite the trials which we have faced, we have still managed to prosper.

Managing Covid and its consequences very quickly became all consuming. The Directors immediately took the decision to halt all ongoing large capital expenditure projects and resolved to do everything which they reasonably could to maintain robust cash reserves. All parts of the business were put under microscopic scrutiny, and as the scale of the pandemic became more apparent, we were required to take some tremendously difficult decisions resulting in the immediate furlough of up to 350 staff and very sadly a smaller number of subsequent redundancies.

It has often been said that much of the strength of our business is derived from its breadth. This mantra has been proven more so this year than ever before. Different parts of our business were impacted to a greater or lesser extent – our tearooms and patisserie were hit hardest from the wide scale disruption to the food service sector; our Tiptree business suffered similarly but saw growth at the retail end of its business. Amidst all this gloom, our farm once again flourished as did Thursday Cottage, Coles and our online portal – Tiptree.com.

Fair review of the business

Tiptree business is split between retail and catering, which in turn divides into several distinct categories including: sweet spreads, chutneys, mustards, sauces and other treats. 86% of our business was in the UK, with 9% in the EU and 5% in the rest of the world. Sales growth slowed dramatically in the UK as a result of the loss of our food service business (Hotels, Restaurants, Cafes, Cruise liners, Airliners and the like) for significant periods of the year. A similar pattern was also seen in our export business with territories affected to a greater or lesser extent depending of the prevalence of Covid. On the up side, we have also seen a positive impact on our retail sales with noteworthy performances in the UK grocers, USA, Australia, Germany and online retailers including Tiptree.com and Ocado.

Thursday Cottage which is targeted primarily at the independent retailers had a strong year with sales up 15% and a total turnover of over £3.9m. It continues to focus on hand-filled branded and private label preserves. Investment in efficiency and increasing integration with Tiptree has maintained margins. The business has successfully retained existing customers and continued to see growth from key own label customers. Export sales were taken back in house and have grown a reassuring 31%.

Tiptree Patisserie has been the hardest hit of all our businesses, with its business exclusively focussed on the food service sector it has seen sales drop by 47% and will post a loss this year. However the team have worked hard to adapt to the circumstances and were quick to stem further losses by rapidly developing an online presence most noticeably selling afternoon tea boxes delivered to your door! The Wilkin & Sons Board remain committed to supporting this business and have confidence that when society returns to normal, the business will once again prosper.

Cole's Puddings had another successful year with sales up by just over 4% but with a notable increase in profits. As with other areas of the business, food service sales were down significantly but retail sales more than compensated. The addition of a larger warehouse this year has been an important milestone.

Our Farm has had an exceptional year with total sales of over £6m for the first time. Crops were good though not vintage, but sales and prices held up as more people holidayed at home. Accessing our all-important pool of seasonal workers was a concern in the early part of the year but fortunately with a little help from furloughed colleagues from elsewhere in the business we managed to harvest all of our crops. Work continues with the University of Essex on developing a robotic harvesting solution.

Our Tearoom division has had an exceptionally difficult year. With all tearooms closed for at least 40% of the year and many staff on long term furlough, sales have halved and the unit has sustained a loss. However, the Directors remain committed to their longer term success and will continue to support the division which we expect will take until well into 2022 to regain any semblance of normality. Meanwhile the Tearoom staff have been extraordinary in their commitment to supporting the wider business whenever called upon.

Other information

All significant capital expenditure projects have been stopped for now and the foreseeable future. However, we continue to look at and invest in much smaller operational projects which have a quick return on investment and a tangible benefit to safety, quality or efficiency. 2020 saw the timely arrival of a senior health and safety manager with the intention of bringing our operational practices under close scrutiny and resetting our health and safety culture in line with our premium quality expectations.

2021 will see a sharper focus on sustainability with an aspiration of generating much of our own electricity on site and the careful management of our land as a means of offsetting some of our manufacturing carbon emissions. As we head towards a national carbon neutral goal in 2040 it is important that we get ahead of this curve and are seen to be leaders in our field.

Now more than ever the Directors will continue to take a cautious approach ensuring that financial exposure is minimal. Ongoing commitments are matched to available reserves, while continuing to maintain a programme of wider investment across the rest of our business.

As we grow, effective communication with staff is critically important. Staff continue to be well informed through the availability of meeting minutes, monthly team briefs, tool box talks, Directors' briefings and the effective use of noticeboards. 2020 has of course constrained our ability to meet face to face but we have addressed this through the use of virtual platforms such as Microsoft Teams and Zoom. The Directors have also provided regular Covid updates to staff to try and keep them appraised of evolving legislation and approach.

We remain focussed on energy and waste reduction. Our new boilers are working well and we are actively working on the installation of field scale solar to supplement our electricity needs on site.

90% of our Tiptree site waste was either recycled, re-used or sent to anaerobic digestion and we again achieved 100% landfill diversion.

While our community and marketing activity has been curtailed to a great extent, we certainly made the best of our situation. In the week before lockdown we were very fortunate to welcome the Earl and Countess of Wessex to our site to help mark both the Duke's birthday, and the occasion of Peter Wilkin's 80th birthday. They kindly planted a lime tree (completing a new avenue of limes leading to Tiptree Hall) to mark the occasion and were then generous with their time, meeting staff in both the factory and tearoom. Beyond this it was a much quieter year with most marketing activity curtailed. We did manage however to conduct online versions of "Bread Heroes" UK and USA (an adaptation of the Bread Awards), and Open Farm Sunday for which the farm made an interactive video.

Throughout the year furloughed staff have often volunteered to help the NHS and in other public service roles, the business has contributed significant volumes of food to local foodbanks and hospitals, and also mustered up basic PPE when asked. It is perhaps one of our proudest reflections to note how well staff have responded to supporting the public good when the need arose.

The year concluded on a positive note with a presentation to Mary Beal recognising 50 years of loyal service; her cheery presence on site will be missed.

Outlook

We continue to deal with Covid and the teething problems now associated with Brexit as they arise. We are very proud of the response our management team and staff have shown to Covid and at the time of writing we have only had five isolated cases amongst our staff, all of which had been transmitted externally. We continue to adopt the most rigorous approach to maintaining a Covid secure workplace.

Having now left the EU, we are tentatively taking our first steps as an independent trading nation. There is no doubt that there will be bumps along the way, but with an outstanding team on our side we are confident that we can prosper.

Our commitment to becoming an exemplary business continues to drive changes, which the Board believes is key to supporting on-going sustainable growth. The core values that have stood us in good stead remain paramount, but we fully intend to extend our experience into new areas. This brings with it some risks, but can have commensurate rewards when we succeed.

As referenced earlier in this report, all significant capital expenditure projects have been stopped pending a clearer long term view on the fallout from Covid. This does not mean that there has been no progress on site, it has been quite the opposite in fact. Our operations have been put under closer scrutiny than ever and opportunistically we are effecting positive change which helps to make us leaner now and stronger in the long term.

We will maintain a cautious approach and ensure financial risk levels are minimal. We will cut our cloth according to our means, and in so doing we can move at a pace that the business can afford while adjusting our rate of progress to match changing market and economic conditions.

Reflecting on this strategic report, it is interesting to note how Brexit has become a relative footnote when set against Covid. We remain optimistic for the future of the business, both in the medium- and long-term. Guided always by our enduring principles of quality, integrity, independence and innovation.

Principal risks and uncertainties

Price Risk
The Group is exposed to commodity, oil and gas price risk. The Group fixes certain commodity prices with suppliers for periods of varying lengths; we pass on long-term cost increases to our customers but temper such changes with an awareness of more general market conditions. Price risk is mitigated by growing a meaningful proportion of our own fruit and by maintaining long-term relationships with suppliers.

Foreign Currency Risk
The Group sells in more than one currency, and is therefore subject to movements in foreign exchange. This risk is largely mitigated through the use of natural hedging, whereby we offset exports denominated in Euros against certain imported products such as oranges from Seville, purchased in Euros.

Credit Risk
The Group's credit risk is primarily attributed to its trade debtors; the amounts shown in the balance sheet are net of allowances for bad and doubtful debts and provisions for credit notes.

Liquidity Risk
The Group regularly reviews its funding position to ensure that there is sufficient working capital to meet its future obligations and development plans. Funding on long-term projects is matched with long-term debt finance. Short-term funding requirements are financed through bank overdrafts where necessary. Although borrowing is expected to increase as a result of our expansion and redevelopment plans, the Board and its financial advisors consider this extra risk to be well within acceptable levels when related to the asset strength of the business.

Interest Rate Risk
We monitor the cost of interest rates and review methods of mitigating the risk. The Directors take the view that under the current circumstances, the cost of securely mitigating the risk of increased interest rates exceeds the cost of servicing the increase.

Operational Risk
The continuing uncertainty created by Covid and the dust finally settling on BREXIT are the principle risk for 2021. This is particularly manifest in the cases of:-

- the ability of certain parts of our business to continue to operate effectively,
- access to sufficient numbers of fruit pickers,
- exchange rate movements and the fluctuations in sterling against the euro,
- potential disruption to supply chains, and
- our ability to access current export markets in a cost effective manner.

Inflationary pressures are an obvious source of concern, due to a combination of wage increases and cost of materials (as several significant purchase lines are priced in Euros).

Key performance indicators

The Company's Directors are of the opinion that the information provided in the Chairman's Statement and Directors' Report is sufficient for an understanding of the development, performance and position of the business.

Section 172 (1) of the Companies Act 2006

Company Directors are required to act in "good faith" to promote the long term success of the business with regard all stakeholders. As a Board, the Directors remain mindful of the significance of matters under their consideration from the point of view of materiality to the shareholders. Section 172 (1) of the Companies Act 2006 now requires that businesses and their Directors report on their duty to promote the success of the company with regard to the following matters:

(A) *The likely consequence of any decision in the long term.*
As an employee owned business with its staff collectively the single largest shareholder, Wilkin and Sons Limited has significant regard to the ongoing and long-term success of the business. While ongoing success is important, it is long term security and success which is of paramount importance. Shareholders understand this approach and value our careful approach to our longer-term strategy.

(B) *The interests of the Company's employees.*
As a pioneering employee owned business of some 30 years standing, our staff are always front of mind. While not employee run, the staff have an important voice via direct representation on our Employee Benefit Trust (EBT). Communication with staff is important and structures/mechanisms have already been covered elsewhere in the annual report. Since 2019 an annual Staff Cultural Survey canvasses opinion and views directly from staff. This in turn allows us to take constructive feedback and adapt/improve culture and processes as a result, in particular around the areas of food safety and quality. The Company has recently introduced a comprehensive staff wellbeing policy including initiatives such as mental health support.

(C) *The need to foster the company's business relationships with suppliers, customers and others.*
Given the Company's long-term approach, the relationships which we build throughout our supply chains have always been of paramount importance. We have for example sourced our oranges from the same Seville orchards (and supplier) for more than 50 years. It is an absolute principle that our bills are paid on time. Details of community initiatives have been supplied elsewhere in the annual report.

(D) *The impact of the company's operations on the community and the environment.*
Our Tiptree brand is synonymous with the village in which we live and work, the vast majority of our staff either live within the village (more than 70 of them in subsidised company homes) providing easy access to work. We work closely with the local community and run several annual events for their benefit including a music festival, an open farm as well as facilitating many visits for local schools. Environmental matters are dealt with elsewhere in the annual report.

(E) *The desirability of the company maintaining a reputation for high standards of business conduct.*
The Company is held in high regard locally, nationally and internationally. Our reputation is of paramount importance and the Directors and staff work hard to carefully guard this hard-won respect in everything we do. From the authenticity of our cherished recipes to ensuring the integrity of our supply chains, we strive to be an exemplary business ever mindful that there will always be room for improvement.

(F) *The need to act fairly between members of the company.*
Our shareholders sit at the heart of our business and particularly so as this encompasses all of our full-time staff. The Directors continue to pursue what they believe to be the most prudent long-term strategy for the business and modest annual dividends are returned to shareholders while ensuring that there is an appropriate surplus to reinvest in our long-term future.

It is the view of the Directors that they continue to run the business in the best long term interest of all relevant stakeholders.

Streamlined Energy and Carbon Reporting (SECR)

SECR – Reporting Methodology Narrative:

The business has taken guidance from the UK Government Environmental Reporting Guidelines (March 2019), the GHG Reporting Protocol - Corporate Standard, and from the UK Government GHG Conversion Factors for Company Reporting document for calculating carbon emissions. Energy usage information (gas and electricity) has been obtained directly from energy suppliers and half hourly data, where available. Transport mileage usage data was provided for company and employee owned vehicles claimed on expenses along with data for other fuels. CO2 emissions were calculated using the appropriate emission factors from the UK Government GHG conversion information and retained within the businesses 'Data File' for reference where required.

SECR - Energy Efficiency Narrative:

Whilst pursuing our business objectives, the Company seeks to manage all activities to minimise the use of energy, whilst ensuring that the business continues to grow to the overall benefit of our employees, shareholders and customers. We recognise that energy management is a significant aspect of our environmental management plan, and we seek to reduce energy consumption throughout all of our operations. We ensure that our operations are regularly independently audited by Energy Consultants to identify the potential for further energy saving opportunities. The first annual audit was carried out in 1994 and continued annually until mandatory ESOS Audits and TM44 Air Conditioning Inspections were implemented.

We consider energy efficiency when making new investment in plant or facilities and we monitor and record energy use to identify trends in consumption and identify realistic targets for the reduction of energy use within our processes. We also strive (as target values become tighter) to meet the stretching requirements of our Climate Change Agreement.

Energy Efficiency Projects Implemented:

Three Thompson Cochran (Gas - Steam Raising Plant) Boilers dating from 1970 were replaced with two new Gas - Bosch Universal Steam Boilers (New Energy Centre) – estimating a 15% Gas saving per annum. One Thompson Cochran (Gas Oil – Steam Raising Plant) Boiler dating from 1979 having been removed, with the associated production line added directly to the Bosch Boiler System – negated 30,000 litres of Gas Oil Usage.

The installation of a Solar PV / Battery Storage System for farm irrigation – generating 22,445 kWh's per annum which is self-consumed. Installation of a Solar PV System on the roof of the New Energy Centre – generating 50,985 kWh's per annum which is self-consumed.

Replacement of old air compressors (with two Newton fixed speed and one Edison variable speed drive energy efficient air compressors in the new Energy Centre) – estimated 12% Electricity saving for same amount of air requirement.

Implementation of steam trap maintenance programme – annual cost of leaks identified £5,821.79, which equates to a reduction in CO2 Emissions of 40.2 tonnes per year.

A general upgrade to energy efficient LED lighting with a saving of 28,708 watts per annum.

Energy management best practice behavioural change presentation with a potential energy saving identified of £16,294.

Implementation of on-going air leak detection programme.

Total Emmissions summary

Emission Type	Total Volume (kWh)	Calculated Emissions (Tonnes of CO2e)
Scope 1 (direct)	13,329,624	**2,582**
Scope 2 (indirect)	4,056,423	**946**
Scope 3 (indirect)	23,141	**5**
Total	**17,409,188**	**3,533**

Scope 1 Emissions (Direct)

Emissions from activities owned or controlled by the organisation that release emissions into the atmosphere. Examples of Scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces, vehicles; emissions from chemical production in owned or controlled process equipment.

Energy Type	Definition	Total Volume (kWh)	Calculated Emissions (Tonnes of CO2e)
Gas	Emissions from combustion of gas	11,047,506	2,031
Other Fuels	Emissions from combustion of fuel for stationary machinery & engines	298,940	70
Transport	Emissions from combustion of fuel for transport purposes	1,983,178	481
Total		**13,329,624**	**2,582**

Scope 2 Emissions (In-direct)

Emissions released into the atmosphere associated with the consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of the organisation's activities, but which occur at sources it does not own or control.

Energy Type	Definition	Total Volume (kWh)	Calculated Emissions (Tonnes of CO2e)
Electricity	Emissions from purchased electricity (Scope 2, location-based)	4,056,423	946
Total		**4,056,423**	**946**

Scope 3 Emissions (In-direct)

Emissions that are a consequence of the actions of the organisation, which occur at sources which it does not own or control and which are not classed as Scope 2 emissions. Examples of Scope 3 emissions are business travel by means not owned or controlled by the organisation (e.g. grey fleet and rental cars).

Energy Type	Definition	Total Volume (kWh)	Calculated Emissions (Tonnes of CO2e)
Employee Owned Cars	Emissions from business travel in rental cars or employee-owned vehicles where the company is responsible for purchasing the fuel (mandatory)	23,141	5
Total		**23,141**	**5**

Intensity Ratio

Intensity ratios compare emissions data with an appropriate business metric or financial indicator.

Intensity Measurement	Tonnes of Production	Intensity Ratio (tCO2e / Tonnes of Production)
Tonnes CO2e per Tonnes of Production	5,977.2	**0.59**

As this is the first year of reporting, there are no comparisons of change from previous years.

By order of the board

Christopher W. Newenham

Date: 8th April 2021

WILKIN & SONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors have pleasure in presenting their report and financial statements of the group for the year ended 31 December 2020, being the one hundred and thirty third Statement of Financial Position and Statement of Comprehensive Income.

Principal activities
Wilkin & Sons Limited is a private company based in Tiptree, Essex, with subsidiaries on a number of other sites in Essex. The company and its subsidiaries grow fruit, operate tea rooms and manufacture high quality food products for sale in the UK and over 60 different world markets. Its aim is to be a remarkable business.

Results and dividends
The results for the year are set out on page 15. Particulars of the dividends paid are detailed in note 12.

Directors
The directors who held office and served the company during the year and up to the date of signature of the financial statements together with their beneficial interests, and those of their families, in the shares of the company at 31 December 2020 were as follows:

		Preference			Ordinary	
		3.5%	4.2%	'B'	2.5%	'A'
Peter J. Wilkin	**2020**	**1,124**	**166**	**70,637**	**2,422**	**13,164**
	2019	1,124	166	70,637	2,422	13,164
Walter W. Scott	**2020**	**157**	**50**	**25,499**		**2,500**
	2019	132	50	25,398	-	2,500
Stuart A. James	**2020**	**1**	**50**	**12,683**		**2,500**
	2019	1	50	12,683	-	2,500
Christopher W. Newenham	**2020**	**4,848**	**50**	**8,258**	-	**4,500**
	2019	4,823	50	8,156	-	4,500
Scott P. Goodfellow	**2020**	**157**	**83**	**977**	-	**2,500**
	2019	132	83	876	-	2,500
R. Georgina Offord	**2020**	**158**	**50**	**2,273**	-	**-**
	2019	133	50	2,171	-	-

The directors retiring by rotation this year are Peter J. Wilkin and Stuart A. James who, being eligible, offer themselves for re-election.

Employment policy
The group encourages the involvement of its employees through regular staff briefings; these involve question and answer sessions designed to ensure that employees are able to express their opinions.

All permanent employees are members of a profit-related bonus scheme.

Wilkin & Sons Limited set up an Employee Benefit Trust in 1989; the Trust, which holds 49.61% (2019: 49.22%) of the votes in Wilkin & Sons Limited, holds shares on behalf of the employees of the group. There are currently seven trustees, three of whom represent the interests of the employees. There is also a Share Incentive Plan where shares are allocated to qualifying employees twice a year, which holds 2.49% (2019: 2.88%) of the company's votes.

Disabled persons
The group will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. Every effort is made to accommodate any employee who has been injured or disabled whilst in our employment to continue in their role.

Group policy
The directors are committed to a policy of implementing the best current practice in all areas of the group's activities, and in its attitude to its employees, its customers, its suppliers, the community and the environment.

Independence
Wilkin & Sons Limited values its independence, and is determined that this shall continue for the future.

Qualifying third party indemnity provisions
The group has directors and officers liability insurance in place for the benefit of its directors and senior managers. These provisions remain in force at the reporting date.

Matters of strategic importance
This information is included within the Strategic Report on pages 2 to 8 under S414c(11) of the Companies Act 2006.

Charitable donations
During the year the group made charitable donations of £4,711 (2019: £15,931). During the year further non monetary donations were made, further detail is included in the strategic report.

Auditor
A resolution to reappoint RSM UK Audit LLP, Chartered Accountants, as auditors will be put to the members at the next Annual General Meeting.

Going Concern
At the time of approving the financial statements, the Directors have a reasonable expectation that the Group and the Company has adequate resources to continue in operational existence for the foreseeable future, which is a period of 12 months from the approval of the financial statements. As part of their assessment, the directors have prepared detailed profit and loss and cashflow forecasts for the company which take in to account the anticipated impact of Covid-19 on the business, and these demonstrate that the company can continue to operate within its existing facilities for the foreseeable future. The group's existing facilities have financial covenants which have been met to date. The group has received confirmation from its bankers that they will remain supportive with regards to covenant compliance in future periods and the board is confident it has the ability to mitigate any breaches in a worst-case scenario. It is therefore not expected that the post year end impact of Covid-19 will have a material effect on the ability of the group and the company to continue to operate as a going concern. As such, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements

Statement of disclosure to auditor
So far as the directors are aware, there is no relevant audit information of which the group's auditor is unaware. Additionally, the directors have taken all 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 auditor is aware of that information.

By order of the board

R. Georgina Offord

Company Secretary

Date: 8th April, 2021

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

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 group and the company and of the profit or loss of the group for that period. In preparing each of the group and company 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 group and the company 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 group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion on financial statements

We have audited the financial statements of Wilkin & Sons Limited (the 'parent company') and its subsidiaries ('the group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements Of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006, tax compliance regulations and compliance with the requirements of the Coronavirus Job Retention Scheme (CJRS). We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and completion of relevant checklists, inspecting correspondence with local tax authorities where relevant, evaluating advice received from external tax advisors and in respect of CJRS reviewing relevant contracts, agreements and calculations relevant to the terms of the scheme.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to food safety and health and safety. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations, reviewed minutes of relevant meetings and completed searches for any reportable incidents in the public domain.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Rsm UK Audit LLP

Andrew Monteith (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, *Statutory Auditor*
Chartered Accountants
Marlborough House
Victoria Road South
Chelmsford
Essex
CM1 1LN

Date: 13 April 2021

WILKIN & SONS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £'000	2019 £'000
Turnover	**3**	41,613	49,202
Cost of sales		(32,475)	(36,954)
Gross profit		9,138	12,248
Other operating expenses (net)	**4**	(5,772)	(8,321)
Operating profit		3,366	3,927
Interest receivable and similar income	**8**	12	75
Interest payable and similar charges	**9**	(27)	(48)
Profit on ordinary activities before taxation	**10**	3,351	3,954
Taxation	**11**	(1,001)	(822)
Profit for the financial year		2,350	3,132

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

WILKIN & SONS LIMITED

Company Registration No. 00026233

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

		Group		Company	
	Notes	2020	2019	2020	2019
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	13	-	-	-	-
Tangible assets	14	17,881	18,663	17,670	18,441
Investments	15	1	1	3,010	3,555
		17,882	18,664	20,680	21,996
Current assets					
Stocks	18	11,415	11,754	10,154	10,486
Debtors due within one year	19	5,643	6,228	4,868	5,667
Investments	16	-	3,000	-	3,000
Cash at bank and in hand		10,466	3,809	9,811	2,963
		27,524	24,791	24,833	22,116
Creditors: amounts falling due within one year	20	(5,319)	(5,082)	(5,059)	(4,753)
Net current assets		22,205	19,709	19,774	17,363
Total assets less current liabilities		40,087	38,373	40,454	39,359
Creditors: Amounts falling due after more than one year	21	(736)	(1,647)	(736)	(1,647)
Provisions for liabilities	23	(2,861)	(2,446)	(2,872)	(2,463)
Net assets		36,490	34,280	36,846	35,249
Capital and reserves					
Called up share capital	26	1,000	1,000	1,000	1,000
Other reserves	27	35,490	33,280	35,846	34,249
Shareholders' funds		36,490	34,280	36,846	35,249

The company's profit for the year and total comprehensive income for the year was £1,737k (2019: £2,896k).

The financial statements on pages 15 to 40 were approved by the board of directors and authorised for issue on 7th April 2021 and are signed on its behalf by:

R. Georgina Offord

Director

Christopher W. Newenham

Director

WILKIN & SONS LIMITED

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2020

	Notes	Share Capital £'000	Capital Redemption Reserve £'000	General Reserve £'000	Own Shares Held £'000	Profit and Loss Reserves £'000	Total £'000
Balance at 1 January 2019		1,000	120	1,000	(1,839)	30,931	31,212
Year ended 31 December 2019:							
Profit and total comprehensive income for the year		-	-	-	-	3,132	3,132
Transactions with owners:							
Dividends	**12**	-	-	-	-	(53)	(53)
Share transactions by Employee Benefit Trust	**27**	-	-	-	(11)	-	(11)
Balance at 31 December 2019		1,000	120	1,000	(1,850)	34,010	34,280
Year ended 31 December 2020:							
Profit and total comprehensive income for the year		-	-	-	-	2,350	2,350
Transactions with owners:							
Dividends	**12**	-	-	-	-	(52)	(52)
Share transactions by Employee Benefit Trust	**27**	-	-	-	(88)	-	(88)
Balance at 31 December 2020		1,000	120	1,000	(1,938)	36,308	36,490

WILKIN & SONS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Share Capital £'000	Capital Redemption Reserve £'000	General Reserve £'000	Own Shares Held £'000	Profit and Loss Reserves £'000	Total £'000
Balance at 1 January 2019		1,000	120	1,000	(1,839)	32,136	32,417
Year ended 31 December 2019:							
Profit and total comprehensive income for the year		-	-	-	-	2,896	2,896
Transactions with owners:							
Dividends	**12**	-	-	-	-	(53)	(53)
Share transactions by Employee Benefit Trust	**27**	-	-	-	(11)	-	(11)
Balance at 31 December 2019		1,000	120	1,000	(1,850)	34,979	35,249
Year ended 31 December 2020:							
Profit and total comprehensive income for the year		-	-	-	-	1,737	1,737
Transactions with owners:							
Dividends	**12**	-	-	-	-	(52)	(52)
Share transactions by Employee Benefit Trust	**27**	-	-	-	(88)	-	(88)
Balance at 31 December 2020		1,000	120	1,000	(1,938)	36,664	36,846

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Cash generated from operations	33	6,343	5,376
Interest paid		(27)	(48)
Income taxes paid		(389)	(815)
Net cash from operating activities		5,927	4,513
Investing activities			
Purchase of tangible fixed assets		(1,045)	(4,545)
Proceeds on disposal of tangible fixed assets		15	16
Maturity of long term deposits held as current asset investments		3,000	2,000
Interest received		12	75
Net cash from/(used in) investing activities		1,982	(2,454)
Financing activities			
Proceeds of new bank loans		-	259
Repayment of bank loans		(1,199)	(505)
Dividends paid		(52)	(53)
Net cash used in financing activities		(1,251)	(299)
Net increase in cash and cash equivalents		6,658	1,760
Cash and cash equivalents at beginning of year		3,808	2,048
Cash and cash equivalents at end of year		10,466	3,808
Relating to:-			
Bank balances included in cash at bank and in hand		10,466	3,809
Overdrafts included in "creditors: amounts falling due within one year"		-	(1)
		10,466	3,808

Analysis of changes in net funds - group

	1 January 2020 £'000	Cash flows £'000	31 December 2020 £'000
Cash at bank and in hand	3,809	6,657	10,466
Bank overdrafts	(1)	1	-
Borrowings excluding overdrafts	(2,009)	1,199	(810)
	1,799	7,857	9,656

1 Accounting policies

Company information
Wilkin & Sons Limited ("the company") is a private company limited by shares domiciled and incorporated in England and Wales. The registered office and principal place of business is Trewlands Farm, Tiptree, Colchester, Essex, CO5 0RF.

The group consists of Wilkin & Sons Limited, the Wilkin & Sons Limited Employee Benefit Trust and all of its subsidiaries.

The company's and the group's principal activities are disclosed in the Directors' Report.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

The consolidated financial statements are presented in sterling which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Comprehensive Income as it prepares group accounts.

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements in relation to the individual company financial statements:

- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The individual financial statements of the parent company, Wilkin & Sons Limited, are included within the consolidated amounts of these financial statements.

Basis of consolidation
The consolidated financial statements incorporate those of Wilkin & Sons Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2020.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The cost of a business combination is the fair value at the acquisition date, of the assets given, equity instruments issued and liabilities incurred or assumed, plus directly attributable costs.

The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

1 Accounting policies (continued)

Going concern
At the time of approving the financial statements, the Directors have a reasonable expectation that the Group and the Company has adequate resources to continue in operational existence for the foreseeable future, which is a period of 12 months from the approval of the financial statements. As part of their assessment, the directors have prepared detailed profit and loss and cashflow forecasts for the company which take in to account the anticipated impact of Covid-19 on the business, and these demonstrate that the company can continue to operate within its existing facilities for the foreseeable future. The group's existing facilities have financial covenants which have been met to date. The group has received confirmation from its bankers that they will remain supportive with regards to covenant compliance in future periods and the board is confident it has the ability to mitigate any breaches in a worst-case scenario. It is therefore not expected that the post year end impact of Covid-19 will have a material effect on the ability of the group and the company to continue to operate as a going concern. As such, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements

Turnover
Turnover is measured at the fair value of the consideration received or receivable for sale of goods to external customers in the ordinary nature of the business. Turnover is shown net of Value Added Tax.

Turnover is recognised when both the significant risks and rewards of ownership have been passed to the customer and turnover can be reliably measured, which is generally upon the despatch of goods.

Intangible fixed assets - purchased goodwill
Goodwill in the group accounts represents the excess of the consideration for an acquired undertaking above the fair value of the net assets acquired and is written off evenly over five years as in the opinion of the directors this represents the period over which the goodwill is expected to give rise to economic benefits.

Goodwill in the company accounts represents past purchased goodwill and is written off evenly over its useful economic life of between one and ten years.

Intangible fixed assets other than goodwill
Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Customer relationships	Over 2 years

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at historic cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of each asset evenly to its estimated residual value over its expected useful life, as follows:

Freehold buildings	Ten to fifty years
Leasehold buildings	Over the life of the lease
Plant and machinery	Three to twenty years

1 Accounting policies (continued)

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

The gain and loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of comprehensive income.

Fixed asset investments
Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for indicators of impairment at each reporting date. If any such indicators exist then the recoverable amount is estimated and any impairment losses or reversals of impairment losses are recognised immediately in the statement of comprehensive income.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairments of fixed assets
An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Any impairment loss recognised for goodwill is not reversed. For fixed assets other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Stocks
Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Deposits held with banks with a maturity period of more than three months are classified as short term investments and are included in current assets

1 Accounting policies (continued)

Employee Benefit Trust
On 20 December 1989, the company established the Wilkin & Sons Employee Benefit Trust for the benefit of employees. Monies held in this trust are held by independent trustees and managed at their discretion.

Where the company retains future economic benefit from, and has de facto control of, the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified beneficiaries.

Financial instruments
The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument, and are offset only when the group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets
Trade, group and other debtors
Trade, group and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade, group and other debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity
Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Equity instruments
Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Own shares
The fair value of consideration given for shares repurchased by the company, through the Employee Benefit Trust, is deducted from equity.

Trade, group and other creditors
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

1 Accounting policies (continued)

Bank overdrafts
Bank overdrafts are presented within creditors: amounts falling due within one year.

Borrowings
Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges.

Derecognition of financial assets and liabilities
A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation
The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries, that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

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

1 Accounting policies (continued)

Retirement benefits
The company operates two defined contribution pension schemes and the pension charges to the statement of comprehensive income represents the contributions payable by the company in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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

Assets held under finance leases are recognised as assets at the lower of the asset's fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

Foreign exchange
Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Dividends
Dividends are recognised as liabilities once they are no longer at the discretion of the company.

Grants
Income from government grants is presented within other operating income. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Grants relating to assets are classified as deferred income and recognised in other operating expenses over the expected useful life of the asset to which they relate.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

2 Critical accounting estimates and judgements (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period. If the revision affects both current and future periods then the revision is recognised in the current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined on the following page.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the group's inventory. Factors taken into consideration in reaching such a decision include not only the maintenance of stock values at the lower of cost and net realisable value, but also the current, and future anticipated, rate of sale.
- Determine whether the Employee Benefit Trust (EBT) should be considered to be under the control or de facto control of the parent company. The judgement that the parent company does exert de facto control has resulted in the EBT's assets and liabilities being recognised in the parent company and consolidated Statements of Financial Position.

3 Turnover

The analysis of turnover by class of business has not been given as in the opinion of the directors such disclosure would be seriously prejudicial to the interests of the group. All turnover is derived from the sale of goods.

Turnover analysed by geographical market	**2020** **£'000**	**2019** **£'000**
United Kingdom	35,956	43,142
Rest of European Union	3,612	3,170
Rest of the World	2,045	2,890
	41,613	49,202

4 Other operating expenses (net)

	2020 **£'000**	**2019** **£'000**
Distribution costs	(3,656)	(4,266)
Administrative expenses	(3,807)	(4,532)
Other operating income - rents receivable	506	418
Other operating income - grants	1,185	59
	(5,772)	(8,321)

5	Auditor's remuneration	2020 £'000	2019 £'000
	Fees payable to the company's auditor and its associates		
	For audit services:		
	Audit of the group's and company's financial statements	33	30
	For other services:		
	All other non-audit services	8	7

6 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	Group		Company	
	2020 No.	2019 No.	2020 No.	2019 No.
Factory	325	396	259	321
Farm	87	107	87	107
Tearooms and shop	158	141	158	141
	570	644	504	569

Their aggregate remuneration comprised:

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Wages and salaries	13,724	14,782	12,075	12,935
Social security costs	1,104	1,208	966	1,060
Pension costs	457	515	381	443
	15,285	16,505	13,422	14,438

7 Directors' remuneration

	2020 £'000	2019 £'000
Remuneration for qualifying services	881	885

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2019: 0).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2020 £'000	2019 £'000
Remuneration for qualifying services	276	275

8 Interest receivable and similar income

	2020 £'000	2019 £'000
Interest on bank deposits	12	75

9 Interest payable and similar charges

	2020 £'000	2019 £'000
Interest on bank loans and overdrafts	27	48

10 Profit before tax

	2020 £'000	2019 £'000
Profit before tax is stated after charging/(crediting):		
Exchange (gains) / losses	(13)	13
Depreciation of owned tangible fixed assets	1,819	1,869
Profit on disposal of tangible fixed assets	(7)	(3)
Inventory impairment losses recognised	168	191
Operating lease charges	522	508

11 Taxation

	2020 £'000	2019 £'000
Current tax		
UK corporation tax on profits for the current period	598	691
Adjustments in respect of prior periods	(12)	(38)
Total current tax	586	653
Deferred tax		
Origination and reversal of timing differences	117	136
Adjustment in respect of prior periods	9	33
Effect of tax rate	289	-
Total deferred tax	415	169
Total tax charge	1,001	822

The charge for the year can be reconciled to the profit per the statement of comprehensive income as follows:

	2020 £'000	2019 £'000
Profit before taxation	3,351	3,954
Expected tax charge based on a corporation tax rate of 19% (2019: 19%)	637	751
Expenses that are not deductible for tax purposes	6	27
Adjustments in respect of prior years	(3)	(5)
Income not taxable	(3)	(3)
Effect of change in deferred tax rate	289	(16)
Depreciation in excess of capital allowances	75	68
Tax expense for the year	1,001	822

12 Dividends

	2020 £'000	2019 £'000
Ordinary:		
Interim paid on ordinary shares	34	34
Interim paid on preference shares	24	24
Less: Dividends paid to Wilkin & Sons Employee Benefit Trust	(6)	(5)
	52	53

13 Intangible assets

Group

	Goodwill £'000	Customer Relationships £'000	Total £'000
Cost			
1 January 2020 and 31 December 2020	3,428	46	3,474
Amortisation and impairment			
1 January 2020 and 31 December 2020	3,428	46	3,474
Carrying amount			
31 December 2020	-	-	-
31 December 2019	-	-	-

Company

	Goodwill £'000
Cost	
1 January 2020 and 31 December 2020	298
Amortisation and impairment	
1 January 2020 and 31 December 2020	298
Carrying amount	
31 December 2020	-
31 December 2019	-

14 Tangible fixed assets

Group	Freehold property £'000	Leasehold property £'000	Plant and machinery £'000	Total £'000
Cost or valuation				
1 January 2020	12,570	1,136	23,839	37,545
Additions	238	-	807	1,045
Disposals	-	(16)	(293)	(309)
31 December 2020	12,808	1,120	24,353	38,281
Depreciation and impairment				
1 January 2020	2,405	249	16,228	18,882
Depreciation charged in the year	345	91	1,383	1,819
Eliminated in respect of disposals	-	(11)	(290)	(301)
31 December 2020	2,750	329	17,321	20,400
Carrying amount				
31 December 2020	10,058	791	7,032	17,881
31 December 2019	10,165	887	7,611	18,663

Company	Freehold property £'000	Leasehold property £'000	Plant and machinery £'000	Total £'000
Cost or valuation				
1 January 2020	12,570	1,029	22,562	36,161
Additions	239	-	751	990
Disposals	-	(16)	(271)	(287)
31 December 2020	12,809	1,013	23,042	36,864
Depreciation and impairment				
1 January 2020	2,405	148	15,167	17,720
Depreciation charged in the year	345	88	1,320	1,753
Eliminated in respect of disposals	-	(11)	(268)	(279)
31 December 2020	2,750	225	16,219	19,194
Carrying amount				
31 December 2020	10,059	788	6,823	17,670
31 December 2019	10,165	881	7,395	18,441

Security against land and buildings
The group has pledged £2.7m against land and buildings to secure its bank loans (note 22) by way of a fixed charge.

15 Fixed asset investments

	2020 £'000	2019 £'000
Group		
Investments in subsidiaries	1	1

Movements in fixed asset investments	**Investments in subsidiaries £'000**
Cost and carrying amount	
At 31 December 2019 and 31 December 2020	1

	2020 £'000	2019 £'000
Company		
Investments in subsidiaries (note 17)	3,010	3,555

Movements in fixed asset investments	**Investments in subsidiaries £'000**
Cost	
At 31 December 2019 and 31 December 2020	3,555
Impairment	
At 1 January 2020	-
Impairment losses	545
At 31 December 2020	545
Carrying amount	
At 31 December 2020	3,010
At 31 December 2019	3,555

16 Current asset investments

	2020 £'000	2019 £'000
Group and company		
Long term bank deposits	-	3,000

17 Subsidiary undertakings

Details of the group and company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% held direct
Group subsidiary undertakings:				
The Britannia Fruit Preserving Company Limited	Trewlands Farm, Tiptree, Colchester, Essex, CO5 0RF	Dormant	Ordinary	100%
The Burnham Mustard Co. Limited	As above	Dormant	Ordinary	100%
Tiptree Jam Company	As above	Dormant	Ordinary	100%
Company subsidiary undertakings:				
The Britannia Fruit Preserving Company Limited	As above	Dormant	Ordinary	100%
The Burnham Mustard Co. Limited	As above	Dormant	Ordinary	100%
Tiptree Jam Company	As above	Dormant	Ordinary	100%
Tiptree Patisserie Limited	As above	Manufacture and sale of high quality food products	Ordinary	100%
Thursday Cottage Limited	As above	Manufacture and sale of high quality food products	Ordinary	100%
Cole's Puddings Limited	As above	Manufacture and sale of high quality food products	Ordinary	100%

The aggregate amount of capital and reserves and the results of the group undertakings which are not consolidated for the last relevant financial year were as follows:

	Principal activity	Capital and reserves £	Profit for the year £
The Britannia Fruit Preserving Company Limited	Dormant	27	-
The Burnham Mustard Co. Limited	Dormant	2	-
Tiptree Jam Company	Dormant	607	-

Tiptree Jam Company is an unlimited company of which Wilkin & Sons Limited is the sole member.

The Britannia Fruit Preserving Company Limited, The Burnham Mustard Co. Limited and Tiptree Jam Company are not consolidated as in the opinion of the directors the figures are immaterial to the group.

17 Subsidiary undertakings (continued)

The following subsidiary companies have taken the exemption in Section 479A of the Companies Act 2006 ("the Act") from the requirements in the Act for their individual accounts to be audited:

- Tiptree Patisserie Limited (registered number 05544329)
- Thursday Cottage Limited (registered number 01241242)
- Cole's Puddings Limited (registered number 02207321)

18 Stocks

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Raw materials and consumables	5,084	4,743	4,260	3,966
Work in progress	264	179	264	179
Finished goods and goods for resale	6,067	6,832	5,630	6,341
	11,415	11,754	10,154	10,486

19 Debtors

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Amounts falling due within one year:				
Trade debtors	4,541	5,726	3,605	4,827
Amounts due from subsidiary undertakings	-	-	274	419
Other debtors	420	59	368	13
Prepayments and accrued income	682	443	621	408
	5,643	6,228	4,868	5,667

20 Creditors: Amounts falling due within one year

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Bank loans and overdrafts	164	468	164	467
Trade creditors	2,472	1,673	2,346	1,574
Corporation tax payable	554	357	458	202
Other taxation and social security	183	249	169	224
Amounts due to subsidiary undertakings	-	-	85	20
Other creditors	520	481	421	429
Accruals and deferred income	1,426	1,854	1,416	1,837
	5,319	5,082	5,059	4,753

21 Creditors: Amounts falling due after more than one year

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Bank loans	646	1,542	646	1,542
Deferred income	90	105	90	105
	736	1,647	736	1,647

22 Borrowings

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Bank overdraft	-	1	-	-
Bank loans	810	2,009	810	2,009
Payable within one year	164	468	164	467
Payable after one year	646	1,542	646	1,542
Amounts included above which fall due after five years:				
Payable by instalments	123	131	123	131

Included within bank loans due within and after one year are four bank loans bearing interest at 1.25% above the Bank of England base rate. Two loans are falling due in 4 years and two in 7 years. The bank loans are secured by fixed charges over certain freehold property within the group.

23 Provisions for liabilities

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Deferred tax liabilities	2,861	2,446	2,872	2,463

24 Deferred taxation

	Group		Company	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
1 January	2,446	2,277	2,463	2,290
Charge to profit or loss	415	169	409	173
31 December	2,861	2,446	2,872	2,463

The major deferred tax liabilities and assets recognised are:

	Group		Company	
Deferred tax liabilities:	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Accelerated capital allowances	578	399	587	416
Short term timing differences	(19)	(13)	(18)	(13)
Tax deferred via roll over relief	2,302	2,060	2,303	2,060
Total	2,861	2,446	2,872	2,463

The majority of deferred tax liabilities are expected to unwind in future tax periods after 1 year. The amount and timing of the crystallisation of deferred tax liabilities depends on future tax rates and reliefs, and the timing of future purchases and disposals of assets.

25 Retirement benefits schemes

Defined contribution schemes

The group operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The contributions payable by the group charged to profit or loss amounted to £457k (2019: £515k). Contributions totalling £73k were outstanding (2019: £84k) to the fund at the year end and are included in creditors.

26 Share capital

	2020	2019
	£'000	£'000
260,000 'A' Ordinary shares of £1 each	260	260
150,000 2.5% Cumulative Ordinary shares of £1 each	150	150
54,000 3.5% Cumulative Preference shares of £1 each	54	54
16,000 4.2% Cumulative Preference shares of £1 each	16	16
520,000 'B' Non-cumulative Preference shares of £1 each	520	520
	1,000	1,000

Voting rights

Each 2.5% Cumulative Ordinary share has six votes per share. The remaining Ordinary and Preference shares have one vote per share.

26 Share capital (continued)

Priority on winding up
The holder of any class of Preference share is entitled to the nominal value of the paid up amount on each share on winding up. Subject to the repayment of Preference shares, the balance is distributable amongst the holders of the 2.5% Cumulative Ordinary and 'A' Ordinary shares according to the amounts paid up on the shares.

Dividend rights
Distributions made by the company out of the profits by way of dividend are on amounts paid up on shares held. Dividends for holders of each class of Cumulative Preference shares are paid in priority over other shares. The dividend on the Cumulative Ordinary shares rank next for payment. Dividends for 'A' Ordinary and 'B' Non-Cumulative Preference shares rank last.

27 Reserves

Other reserves

Other reserves is comprised of the following reserves:

	Group		Company	
	2020	**2019**	**2020**	**2019**
	£'000	**£'000**	**£'000**	**£'000**
Capital redemption reserve	120	120	120	120
General reserve	1,000	1,000	1,000	1,000
EBT Shares in Wilkin & Sons	(1,938)	(1,850)	(1,938)	(1,850)
Profit and loss account	36,308	34,010	36,664	34,979
Other reserves	35,490	33,280	35,846	34,249

Capital redemption reserve
This reserve records the nominal value of shares repurchased by the company.

General reserve
This reserve includes certain retained profits from the early 1900's, and represents distributable profits.

Profit and loss reserve
This includes all current and prior period retained profits.

Own shares
Wilkin & Sons Limited operates an Employee Benefit Trust (EBT), which has the following interest in the shares of the company:

	2020	2019
	£'000	£'000
1 January	1,850	1,839
Shares acquired	96	19
Shares disposed of by gift	(8)	(8)
31 December	1,938	1,850

Shares are acquired and held by the Wilkin & Sons Limited EBT for distribution to the Wilkin & Sons Share Incentive Plan in accordance with the aims of the trust, as directed by the company.

27 Reserves (continued)

At the year end the EBT held the following shares, and had the following assets and liabilities, which had not vested unconditionally with employees by the year end:

	2020		2019	
	No. of Shares 000's	Cost of shares £'000	No. of Shares 000's	Cost of shares £'000
'A' Ordinary shares				
Balance as at 1 January	11	30	14	34
Shares acquired	10	51	1	4
Shares disposed of by gift	(3)	(8)	(4)	(8)
Balance as at 31 December	18	73	11	30

	2020		2019	
	No. of Shares 000's	Cost of shares £'000	No. of shares 000's	Cost of shares £'000
2.5% Cumulative Ordinary shares				
Balance as at 1 January	142	1,820	140	1,805
Shares acquired	1	45	2	15
Balance as at 31 December	143	1,865	142	1,820

Net assets of the EBT	2020 £'000	2019 £'000
Cash at bank	13	55
Other creditors	(6)	(1)
Balance as at 31 December	7	54

28 Contingent liabilities

The company is contingently liable in respect of a group VAT agreement with Thursday Cottage Limited. At 31 December 2020 the group VAT debtor was £217,655 (2019: £27,104).

Wilkin & Sons Limited have guaranteed the overdraft facility of its subsidiary undertaking Cole's Puddings Limited. There is also a cross guarantee between Wilkin & Sons Limited and Cole's Puddings Limited, with Barclays Bank Plc. At the year end there was £Nil (2019: £1k) due to Barclays Bank Plc.

In order for the subsidiary companies, Thursday Cottage Limited, Tiptree Patisserie Limited and Cole's Puddings Limited, to take the audit exemption in section 479A of the Companies Act 2006, the Company has guaranteed all outstanding liabilities of those subsidiary companies at 31 December 2020 until those liabilities are satisfied in full.

29 Operating lease commitments

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

	2020 £'000	2019 £'000
Within one year	450	409
Between one and five years	1,510	1,389
After five years	1,169	1,472
	3,129	3,270

30 Commitments

At 31 December 2020 the group had capital commitments as follows:

	Group		Company	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Contracted for but not provided for in the financial statements	-	734	-	734

31 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel, which includes the directors of all group companies, is as follows:

	2020 £'000	2019 £'000
Aggregate compensation	1,409	1,236

Other creditors includes loans from directors and immediate family totalling £91k (2019: £96k). Interest of £132 (2019: £620) was paid in the year.

32 Controlling party

The directors do not consider there to be an ultimate controlling party due to the widespread nature of the shareholdings.

33 Cash generated from operations

	2020 £'000	2019 £'000
Profit for the year	2,350	3,132
Adjustments for:		
Income tax expense recognised in profit or loss	1,001	822
Finance costs recognised in profit or loss	27	48
Investment income recognised in profit or loss	(12)	(75)
Profit on disposal of tangible fixed assets	(7)	(3)
Depreciation of tangible fixed assets	1,819	1,869
Share transactions by EBT	(88)	(11)
Operating cash flows before movements in working capital	5,090	5,782
Decrease / (increase) in stock	339	(2,176)
Decrease in trade and other debtors	585	2,233
Increase / (decrease) in trade and other creditors	329	(463)
Cash generated from operations	6,343	5,376