

Registered number: 08037428

GRAINLINK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

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GRAINLINK LIMITED

COMPANY INFORMATION

DIRECTORS	S A Dolphin K R Greetham B P Roberts G W Davies N Birkinshaw
SECRETARY	B P Roberts
COMPANY NUMBER	06037428
REGISTERED OFFICE	Eagle House Llansantffraid - Ym Mechain Powys SY22 6AQ
AUDITOR	KPMG LLP 8 Princes Parade Liverpool L3 1QH

GRAINLINK LIMITED

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GRAINLINK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 OCTOBER 2017

PRINCIPAL ACTIVITIES

The Company's principal activities were that of grain merchants.

BUSINESS REVIEW

This year has been another successful trading year, measured by reference to the Key Performance Indicators used by the Board to assess and communicate the financial performance of the Company. These include turnover, gross profit and profit before tax and return on capital.

Sales revenue was £59,739,944 (2016: £44,905,999) the increase mainly due to the full year effect of the integration of the grain trading division of the Woodheads Seeds business on 1 July 2016.

Gross profit was £1,186,476 (2016: £1,277,564) reflecting lower unit gross margins generated as a result of lower average selling prices. The sector generally has experienced reduced gross margins following a more difficult harvest in the autumn of 2016.

Profit before tax was £370,200 (2016: £580,127). This is lower than in the previous year, but the directors consider that this is still a satisfactory return given the conditions created by the difficult harvest conditions at the beginning of the financial year.

The Directors consider that they have the necessary level of expertise and a sustainable business model to ensure the continued success and have plans to further expand the geographical reach of the business.

The liquidity of the business is extremely good, which is an important reputational priority for a trading business where clients require confidence in the financial security of their chosen trade partner.

The Directors consider that banking facilities are adequate to cover any further commodity price increases and consequent effect on working capital utilisation.

KEY PERFORMANCE INDICATORS

The performance of the business is regularly monitored against Key Performance Indicators (KPI's) being that of turnover, gross profit, profit before tax and return on capital, together with profit per tonne and margin. These are monitored on a monthly basis against previous year and budget.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company does not engage in the taking of speculative commodity positions, although it does make forward purchases and sales. Position reporting systems are in place to ensure the directors are appraised and where possible hedging tools, primarily wheat futures contracts on the London LIFFE market, are used to manage price decisions.

The Company is exposed to substantial customer credit balances, and to mitigate the risk, a credit insurance policy has been purchased to provide partial cover against default by certain customers.

Although there is a constant risk of customer loss from enhanced competition, the Company continues to believe that the Company has the strength of trade and resources and expertise to withstand this concern.

FUTURE DEVELOPMENTS

The Directors consider they have the necessary level of expertise to ensure the continued success of the business and have future plans to expand the geographical reach of the business.


GRAINLINK LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2017**

EVENTS SINCE THE YEAR END

Since the year end the Company's performance continues to be in line with the Directors' expectations.

This report was approved by the board on 12 February 2018 and signed on its behalf by:



B P Roberts

Director

GRAINLINK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2017

The Directors present their report and financial statements for the year ended 31 October 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosures Framework.

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 and 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when the Directors' report was 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 Directors have taken all steps that they ought to have taken as a Director in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

AUDITOR'S REAPPOINTMENT

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

DIVIDENDS

The Directors have authorised a dividend payment of £250,000 during the period (2016: £250,000).

GRAINLINK LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2017**

RESULTS

The profit for the period, after taxation, amounted to £296,570 (2016: £459,397).

DIRECTORS


The Directors who served during the year were:

S A Dolphin
K R Greetham
B P Roberts
G W Davies
N Birkinshaw

EMPLOYEES

The company has procedures for keeping its employees informed about the progress of the business. The company provides training and support for all employees where appropriate, and gives a full and fair consideration to disabled applicants in respect of duties which may be effectively performed by a disabled person. Where existing employees become disabled, the company will seek to continue employing them, bearing in mind their disability and provided suitable duties are available. Failing this, all attempts will be made to provide a continuing income. Health and safety matters are a high priority issue for the Board.

This report was approved by the board on 12 February 2018 and signed on its behalf by:



B P Roberts
Director

Registered address:
Eagle House
Llansantffraid - Ym Mechain
Powys
SY22 6AQ

GRAINLINK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAINLINK LIMITED

We have audited the financial statements of Grainlink Limited ("the company") for the year ended 31 October 2017 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet and the Statement of Change in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

GRAINLINK LIMITED

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Will Baker (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH
Date:

12 February 2018

GRAINLINK LIMITED

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2017**

		2017	2016
	Note	£	£
TURNOVER	2	59,739,944	44,905,999
Cost of sales		<u>(58,553,468)</u>	<u>(43,628,435)</u>
GROSS PROFIT		1,186,476	1,277,564
Administrative expenses		<u>(816,276)</u>	<u>(700,515)</u>
OPERATING PROFIT	3	370,200	577,049
Interest payable and similar charges		-	(433)
Other interest receivable and similar income	7	<u>-</u>	<u>3,511</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		370,200	580,127
TAX ON PROFIT ON ORDINARY ACTIVITIES	8	<u>(73,630)</u>	<u>(120,730)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>296,570</u>	<u>459,397</u>

There was no other comprehensive income for the current or prior year

All of the above are derived from continuing operations.

The notes on pages 13 to 21 form part of these financial statements.

GRAINLINK LIMITED

**REGISTERED NUMBER 06037428
BALANCE SHEET
AS AT 31 OCTOBER 2017**

		2017	2016
	Note	£	£
FIXED ASSETS			
Tangible assets	9	25,514	37,213
CURRENT ASSETS			
Stocks	10	1,487,918	1,717,313
Debtors	11	7,584,229	7,247,865
Cash at bank and in hand		<u>524,839</u>	<u>985,664</u>
		9,596,986	9,950,842
CREDITORS: amounts falling due within one year	12	<u>(5,870,181)</u>	<u>(6,280,555)</u>
NET CURRENT ASSETS		<u>3,726,805</u>	<u>3,670,287</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,752,319</u>	<u>3,707,500</u>
PROVISIONS FOR LIABILITIES		<u>(1,149)</u>	<u>(2,900)</u>
NET ASSETS		<u>3,751,170</u>	<u>3,704,600</u>
CAPITAL AND RESERVES			
Called up share capital	14	1,000,000	1,000,000
Profit and loss account		<u>2,751,170</u>	<u>2,704,600</u>
SHAREHOLDERS' FUNDS - All equity		<u>3,751,170</u>	<u>3,704,600</u>

The financial statements were approved and authorised for issue by the board on 12 February 2018 and were signed on its behalf by:

B P Roberts
Director

B P Roberts

The notes on pages 13 to 21 form part of these financial statements.

GRAINLINK LIMITED

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 OCTOBER 2017**

	Note	Share Capital £	Profit and loss account £	Total £
COST				
As at 1 November 2015		1,000,000	2,495,203	3,495,203
Profit for the year		-	459,397	459,397
Dividend paid	13	-	(250,000)	(250,000)
As at 31 October 2016		1,000,000	2,704,600	3,704,600
Profit for the year		-	296,570	296,570
Dividend paid	13	-	(250,000)	(250,000)
As at 31 October 2017		1,000,000	2,751,170	3,751,170

The notes on pages 13 to 21 form part of these financial statements.

GRAINLINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

Grainlink Limited (the "Company") is a company incorporated and domiciled in the UK

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of IFRS as adopted by the EU ("Adopted IFRS's"), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosures exemptions has been taken.

The Company's ultimate parent undertaking, Wynnstay Group PLC includes the Company in its consolidation financial statements. The consolidation financial statements of Wynnstay PLC are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the registered office Eagle House, Llansantffraid-Ym-Mechain, Powys, SY22 6AQ.

In these financial statement the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash flow statement and related notes
- Disclosure in respect of transactions with wholly owned subsidiaries
- The effect of new but not yet effective IFRS's
- Disclosures in respect of capital management
- Disclosures in respect of the compensation of Key Management
- Comparative period reconciliations for share capital, tangible fixed assets.

As the consolidated financial statements of Wynnstay Group PLC include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

GRAINLINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

1. ACCOUNTING POLICIES (continued)

1.2 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 4. The financial position of the Company and the principal risks and uncertainties are described in the Business Review on page 4.

The Company's forecasts that show profitability and sufficient cash flow and resources are available to meet the requirements of the business. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

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

1.3 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts. Revenue is recognised when goods are delivered to the customer and title has passed.

1.4 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:

Motor Vehicles	-	25%	straight line
Fixtures & Fittings	-	10% to 33%	straight line

1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

GRAINLINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

1. ACCOUNTING POLICIES (continued)

1.6 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.7 Stocks and work in progress

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.

1.8 Financial Instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Interest-bearing borrowings

Interest-bearing bank loans and overdrafts are initially recorded at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between proceeds and redemption value being recognised in the Group Income Statement over the period of the borrowings on an effective interest basis.

Trade payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

Fair value hedges

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in the profit and loss account. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the profit and loss account (even if those gains would normally be recognised directly in reserves).

GRAINLINK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

1 ACCOUNTING POLICIES (continued)

Application of the "own use" exemption

Forward contracts are entered into by the Company to purchase and/or sell grain and other agricultural commodities, and management judge that these forward commodity contracts are entered into for the Company's "own use" rather than as trading instruments when they are entered into. They continue to be held in accordance with the Company's expected purchase, sale and/or usage requirements.

2. TURNOVER

Turnover is attributable to the one principal activity of the Company, being grain merchants. All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the Company	<u>12,318</u>	<u>17,531</u>

4. STAFF COSTS

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

	2017	2016
	£	£
Wages and salaries	508,280	444,033
Social security costs	53,841	43,258
Pension costs	<u>29,951</u>	<u>17,609</u>
	<u>592,072</u>	<u>504,900</u>

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

	2017	2016
	No.	No.
Administration	<u>14</u>	<u>11</u>

GRAINLINK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

5. AUDITOR'S REMUNERATION

	2017 £	2016 £
Audit of these financial statements	<u>8,500</u>	<u>8,500</u>

6. DIRECTORS' REMUNERATION

	2017 £	2016 £
Emoluments	<u>132,173</u>	<u>125,212</u>

During the period retirement benefits were accruing to one director (2016: one) in respect of money purchase pension scheme.

7. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2017 £	2016 £
Bank interest received	-	-
Other interest receivable	<u>-</u>	<u>3,511</u>
	<u>-</u>	<u>3,511</u>

8. TAXATION

	2017 £	2016 £
CURRENT TAX		
Analysis of tax charge in the year		
UK corporation tax charge on profits of the period	74,500	118,000
Under / (over) provision from prior years	<u>881</u>	<u>(170)</u>
Total current tax	<u>75,381</u>	<u>117,830</u>
DEFERRED TAX		
Origination and reversal of timing differences	<u>(1,751)</u>	<u>2,900</u>
Total deferred tax (credit) / charge	<u>(1,751)</u>	<u>2,900</u>
TAX ON PROFIT ON ORDINARY ACTIVITIES	<u>73,630</u>	<u>120,730</u>

GRAINLINK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

8. TAXATION (continued)

Reconciliation of effective tax rate

	2017	2016
	£	£
Profit for the year	<u>370,200</u>	<u>580,127</u>
Profit for the year multiplied by standard rate of corporation tax in the UK of 19.4% (2016 20%)	71,819	116,025
Effect of tax rate	(145)	-
Capital allowances for periods in (excess) / lower than depreciation	1,561	-
Adjustments in respect of prior periods	881	-
Expenses not deductible for tax purposes	1,120	4,705
Origination and reversal of timing differences	<u>(1,606)</u>	<u>-</u>
Total tax expense	<u>73,630</u>	<u>120,730</u>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was reflected in the tax charge for the year. Further reductions to 17% (effective 1 April 2020) were substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

GRAINLINK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

9. TANGIBLE FIXED ASSETS

	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost			
At 1 November 2016	76,514	21,769	98,283
Additions	619	-	619
Disposals	-	-	-
At 31 October 2017	77,133	21,769	98,902
Depreciation			
At 1 November 2016	39,755	21,315	61,070
Charge for the year	11,864	454	12,318
Disposals	-	-	-
At 31 October 2017	51,619	21,769	73,388
Net book value			
At 31 October 2017	25,514	-	25,514
At 31 October 2016	36,759	454	37,213

Included in the total net book value of motor vehicles is £nil (2016: £nil) in respect of motor vehicles held under finance leases or similar contracts.

10. STOCKS

	2017 £	2016 £
Finished goods and goods for resale	<u>1,487,918</u>	<u>1,717,313</u>

GRAINLINK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

11. DEBTORS

	2017	2016
	£	£
Trade debtors	7,119,490	5,869,994
Amounts owed by group undertakings	121,102	1,149,238
Other debtors	116,688	40,793
Fair value of derivatives	43,897	87,491
Prepayments and accrued income	183,052	100,349
	<u>7,584,229</u>	<u>7,247,865</u>

12. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	5,235,760	5,224,811
Amounts due to group undertakings	446,727	756,934
Corporation tax	35,500	62,999
Other creditors	27,900	29,200
Accruals and deferred income	74,068	208,611
Fair value of derivatives	50,226	-
	<u>5,870,181</u>	<u>6,280,555</u>

13. DIVIDEND

	2017	2016
	£	£
The aggregate amount of dividends comprise:		
Ordinary dividends declared and paid in the year	<u>250,000</u>	<u>250,000</u>

14. SHARE CAPITAL

	2017	2016
	£	£
Allotted, called up and fully paid		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
	<u>1,000,000</u>	<u>1,000,000</u>

GRAINLINK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

15. EMPLOYEE BENEFITS

The Company operates a defined contribution scheme, the total amount charged to the profit and loss account is £29,951 (2016: £17,609).

The amount outstanding at the period end and included in other creditors is £10,451 (2016: £311).

16. RELATED PARTY TRANSACTIONS

Identity of related parties with which the Company has transacted

During the year the company had sales to S Dolphin a director of the company to the value of £1,092 (2016: £662). The balance outstanding at the 31 October 2017 was £nil, (2016: £nil).

During the year the company had recharges to S Dolphin a director of the company to the value of £3,405 (2016: £6,151). The balance outstanding at the 31 October 2017 was £442 (2016: £1,669).

All transactions were carried out on at arm's length basis.

17. CONTINGENT LIABILITIES

The Company is party to an unlimited composite cross guarantee arrangement to HSBC Bank Plc to secure any indebtedness to that bank from all the trading entities which are subsidiaries of the Company's ultimate parent undertaking, Wynnstay Group Plc.

18. ULTIMATE PARENT COMPANY AND PARENT COMPANY OF LARGER GROUP

The Company is a subsidiary undertaking of Wynnstay Group Plc, a Company registered in England and Wales which is the ultimate parent company and ultimate controlling party.

The largest group in which the results of the Company are consolidated is that headed by Wynnstay Group Plc. No other group financial statements include the results of the Company. Copies of the group accounts can be obtained from the registered office Eagle House, Llansantffraid- Ym-Mechain, Powys, SY22 6AQ.