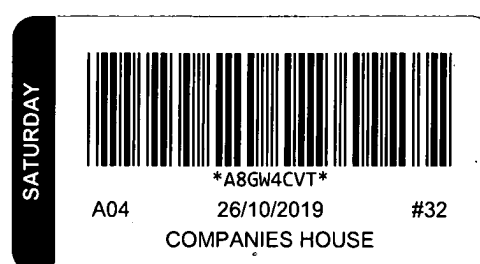


Company Registration No. 07628740 (England and Wales)

Dowson Food Machinery Limited

**Annual report and financial statements
for the year ended 30 June 2019**



Dowson Food Machinery Limited

Company information

Directors	R D M J Summers N J Lacey B J Lawrence R A Summers
Company number	07628740
Registered office	c/o Spooner Industries Limited Moorland Engineering Works Lower Railway Road Ilkley West Yorkshire LS29 8JB
Independent auditor	Saffery Champness LLP Mitre House North Park Road Harrogate North Yorkshire HG1 5RX

Dowson Food Machinery Limited

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Dowson Food Machinery Limited

Directors' report

For the year ended 30 June 2019

The directors present their annual report and financial statements for the year ended 30 June 2019.

Principal activities

The principal activity of the company continued to be that of manufacturing, installation and servicing of machinery for the baking industry.

Directors

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

R D M J Summers

N J Lacey

B J Lawrence

R A Summers

Auditor

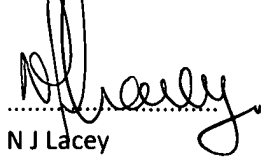
Saffery Champness LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



N J Lacey

Director

Date: 17th SEPTEMBER 2019

Dowson Food Machinery Limited

Directors' responsibilities statement

For the year ended 30 June 2019

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

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

Dowson Food Machinery Limited

Independent auditor's report

To the members of Dowson Food Machinery Limited

Opinion

We have audited the financial statements of Dowson Food Machinery Limited (the 'company') for the year ended 30 June 2019 which comprise the income statement, the statement of financial position 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 company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Dowson Food Machinery Limited

Independent auditor's report (continued)

To the members of Dowson Food Machinery Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Dowson Food Machinery Limited

Independent auditor's report (continued)

To the members of Dowson Food Machinery Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 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 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.

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.



Jonathan Davis (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

19/9/19
.....

Chartered Accountants
Statutory Auditors

Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

Dowson Food Machinery Limited**Income statement****For the year ended 30 June 2019**

	2019	2018
	£'000	£'000
Turnover	5,024	3,333
Cost of sales	(3,754)	(2,328)
	<hr/>	<hr/>
Gross profit	1,270	1,005
Administrative expenses	(1,233)	(1,000)
	<hr/>	<hr/>
Operating profit	37	5
Interest payable and similar expenses	(2)	(3)
Other gains and losses	-	4
	<hr/>	<hr/>
Profit before taxation	35	6
Tax on profit	27	-
	<hr/>	<hr/>
Profit for the financial year	<u>62</u>	<u>6</u>

Dowson Food Machinery Limited

Statement of comprehensive income
For the year ended 30 June 2019

	2019	2018
	£'000	£'000
Profit for the year	62	6
Other comprehensive income		
Cash flow hedges gain/(loss) arising in the year	43	(39)
Total comprehensive income for the year	<u>105</u>	<u>(33)</u>

Dowson Food Machinery Limited

Statement of financial position

As at 30 June 2019

		2019	2018
	Notes	£'000	£'000
Fixed assets			
Intangible assets	3	111	-
Tangible assets	4	117	103
		<u>228</u>	<u>103</u>
Current assets			
Stocks	6	1,169	1,281
Debtors	7	838	624
Cash at bank and in hand		204	274
		<u>2,211</u>	<u>2,179</u>
Creditors: amounts falling due within one year	8	(2,110)	(2,050)
Net current assets		<u>101</u>	<u>129</u>
Total assets less current liabilities		<u>329</u>	<u>232</u>
Creditors: amounts falling due after more than one year	9	(21)	(30)
Provisions for liabilities		<u>(4)</u>	<u>(3)</u>
Net assets		<u><u>304</u></u>	<u><u>199</u></u>
Capital and reserves			
Hedging reserve		4	(39)
Profit and loss reserves		300	238
Total equity		<u><u>304</u></u>	<u><u>199</u></u>

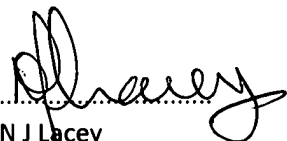
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Dowson Food Machinery Limited

Statement of financial position (continued)

As at 30 June 2019

The financial statements were approved by the board of directors and authorised for issue on 17th September 2019 and are signed on its behalf by:



N J Lacey

Director

Company Registration No. 07628740

Dowson Food Machinery Limited**Statement of changes in equity
For the year ended 30 June 2019**

	Hedging reserve	Profit and loss reserves	Total
	£'000	£'000	£'000
Balance at 1 July 2017	-	232	232
Year ended 30 June 2018:			
Profit for the year	-	6	6
Other comprehensive income:			
Cash flow hedges gains	(39)	-	(39)
Total comprehensive income for the year	(39)	6	(33)
Balance at 30 June 2018	(39)	238	199
Year ended 30 June 2019:			
Profit for the year	-	62	62
Other comprehensive income:			
Cash flow hedges gains	43	-	43
Total comprehensive income for the year	43	62	105
Balance at 30 June 2019	4	300	304

1 Accounting policies

Company information

Dowson Food Machinery Limited is a private company limited by shares incorporated in England and Wales. The registered office is c/o Spooner Industries Limited, Moorland Engineering Works, Lower Railway Road, Ilkley, West Yorkshire, LS29 8JB.

1.1 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 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.

1 Accounting policies (continued)

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

Development costs	5 years
-------------------	---------

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Plant and equipment	20%
Fixtures and fittings	20%
Computers	20%

The gain or 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 credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (continued)

1.9 Financial instruments

The company 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 instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified 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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies (continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Dowson Food Machinery Limited

Notes to the financial statements (continued)

For the year ended 30 June 2019

1 Accounting policies (continued)

1.14 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 assets 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 profit or loss 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 profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 54 (2018 - 53).

Dowson Food Machinery Limited

Notes to the financial statements (continued)

For the year ended 30 June 2019

3 Intangible fixed assets

**Development costs
£'000**

Cost

At 1 July 2018

-

Additions

166

At 30 June 2019

166

Amortisation and impairment

At 1 July 2018

-

Amortisation charged for the year

55

At 30 June 2019

55

Carrying amount

At 30 June 2019

111

At 30 June 2018

-

4 Tangible fixed assets

**Plant and
machinery
etc
£'000**

Cost

At 1 July 2018

494

Additions

58

At 30 June 2019

552

Depreciation and impairment

At 1 July 2018

391

Depreciation charged in the year

44

At 30 June 2019

435

Carrying amount

At 30 June 2019

117

At 30 June 2018

103

Dowson Food Machinery Limited**Notes to the financial statements (continued)****For the year ended 30 June 2019****5 Financial instruments**

	2019	2018
	£'000	£'000
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
- Other financial liabilities	-	43

6 Stocks

	2019	2018
	£'000	£'000
Raw materials and consumables	654	804
Work in progress	515	477
	<u>1,169</u>	<u>1,281</u>

7 Debtors

	2019	2018
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	699	526
Corporation tax recoverable	28	-
Prepayments and accrued income	111	98
	<u>838</u>	<u>624</u>

8 Creditors: amounts falling due within one year

	2019	2018
	£'000	£'000
Trade creditors	770	613
Amounts owed to group undertakings	735	735
Taxation and social security	36	38
Other creditors	569	664
	<u>2,110</u>	<u>2,050</u>

Dowson Food Machinery Limited

Notes to the financial statements (continued)

For the year ended 30 June 2019

9 Creditors: amounts falling due after more than one year

	2019	2018
	£'000	£'000
Hire purchase creditors	21	30
	<u>21</u>	<u>30</u>

10 Finance lease obligations

	2019	2018
	£'000	£'000
Future minimum lease payments due under finance leases:		
Within one year	9	21
In two to five years	21	30
	<u>30</u>	<u>51</u>

Finance lease payments represent rentals payable by the company for an item of plant and machinery. The lease includes a purchase option at the end of the lease period, and no restrictions are placed on the use of the assets. The lease term is 5 years. The lease is on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

11 Operating lease commitments

Lessee

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

2019	2018
£'000	£'000
21	16
<u>21</u>	<u>16</u>

12 Related party transactions

The parent undertaking is Aegeus Industries Limited. As a wholly owned subsidiary the company has taken advantage of the exemptions in FRS102, not to disclose details of related party transactions between wholly owned group companies.

Dowson Food Machinery Limited

Notes to the financial statements (continued)

For the year ended 30 June 2019

13 Parent company

Aegeus Industries Limited is the largest and smallest group of undertakings to consolidate the results of the company.

Financial statements for Aegeus Industries Limited are publically available from Companies House, Cardiff CF14 3UZ.

14 Pensions

The contributions paid by Dowson Food Machinery Limited in the year ending 30 June 2019 were £27,211 (2018: £39,609) being 6% (2018: 6%) of pensionable salary. Contributions to the value of £nil (2018: £nil) were owed to the fund at the year end.