

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018
FOR
CAKE DECOR LTD**

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FOR THE YEAR ENDED 31 MARCH 2018**

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CAKE DECOR LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2018

DIRECTORS:

W Donnelly
A Downs
D Harvey

SECRETARY:

A Downs

REGISTERED OFFICE:

2 Little Drum Road
Orchardton Woods
Cumbernauld
Glasgow
G68 9LH

REGISTERED NUMBER:

SC298811 (Scotland)

AUDITORS:

McDaid & Partners
Chartered Accountants
Statutory Auditors
Stanley House
69/71 Hamilton Road
Motherwell
Lanarkshire
ML1 3DG

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

The directors present their strategic report for the year ended 31 March 2018.

REVIEW OF BUSINESS

Underlying rates of sale continue to grow in all areas. The company took a strategic decision to withdraw from a number of low margin contracts during the year, resulting in a lower overall sales figure, and a significantly increased gross margin.

The company is realising the benefits of the recent investment in systems and people, as part of an ongoing business improvement programme.

PRINCIPAL RISKS AND UNCERTAINTIES

The main risk and uncertainty Cake Decor Ltd foresees is the current economic climate and the challenges that brings to not only the company but the industry as a whole.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A Downs', written in a cursive style.

A Downs - Secretary

5 September 2018

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2018**

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of cake decorations.

DIVIDENDS

Interim dividends of £338,544 were paid during the year ended 31 March 2018. No final dividend is to be paid.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

W Donnelly
A Downs
D Harvey

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, McDaidd & Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



A Downs - Secretary

5 September 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CAKE DECOR LTD

Opinion

We have audited the financial statements of Cake Decor Ltd (the 'company') for the year ended 31 March 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 Financial Reporting Standard 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 31 March 2018 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 Auditors' 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CAKE DECOR LTD**

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 Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

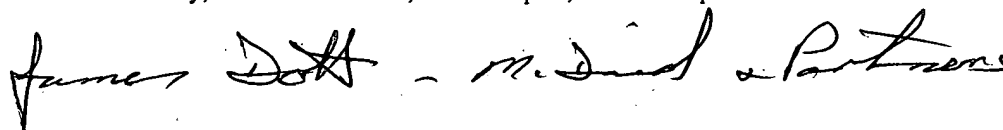
Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



James Dott (Senior Statutory Auditor)
for and on behalf of McDavid & Partners
Chartered Accountants
Statutory Auditors
Stanley House
69/71 Hamilton Road
Motherwell
Lanarkshire
ML1 3DG

Date: 5 September 2018

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	31.3.18 £	31.3.17 £
TURNOVER		10,265,192	10,305,515
Cost of sales		6,189,696	6,545,932
GROSS PROFIT		4,075,496	3,759,583
Administrative expenses		2,914,185	2,761,195
		1,161,311	998,388
Other operating income		30,500	32,000
OPERATING PROFIT	4	1,191,811	1,030,388
Interest receivable and similar income		340	162
		1,192,151	1,030,550
Interest payable and similar expenses	5	59,722	67,168
PROFIT BEFORE TAXATION		1,132,429	963,382
Tax on profit	6	153,941	137,250
PROFIT FOR THE FINANCIAL YEAR		978,488	826,132

The notes form part of these financial statements

CAKE DECOR LTD (REGISTERED NUMBER: SC298811)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	31.3.18 £	31.3.17 £
PROFIT FOR THE YEAR		978,488	826,132
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>978,488</u>	<u>826,132</u>

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2018

	Notes	31.3.18 £	31.3.17 £
FIXED ASSETS			
Tangible assets	8	1,761,138	1,662,152
CURRENT ASSETS			
Stocks	9	630,806	803,171
Debtors	10	1,598,361	1,767,306
Cash at bank and in hand		1,475,936	639,740
		<u>3,705,103</u>	<u>3,210,217</u>
CREDITORS			
Amounts falling due within one year	11	<u>1,836,307</u>	<u>1,818,768</u>
NET CURRENT ASSETS		<u>1,868,796</u>	<u>1,391,449</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,629,934</u>	<u>3,053,601</u>
CREDITORS			
Amounts falling due after more than one year	12	(379,684)	(450,262)
PROVISIONS FOR LIABILITIES	16	<u>(156,193)</u>	<u>(149,226)</u>
NET ASSETS		<u><u>3,094,057</u></u>	<u><u>2,454,113</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	30,010	30,010
Retained earnings	18	<u>3,064,047</u>	<u>2,424,103</u>
SHAREHOLDERS' FUNDS		<u><u>3,094,057</u></u>	<u><u>2,454,113</u></u>

The financial statements were approved by the Board of Directors on 5 September 2018 and were signed on its behalf by:

W Donnelly - Director

The notes form part of these financial statements

CAKE DECOR LTD (REGISTERED NUMBER: SC298811)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2016	30,010	1,862,457	1,892,467
Changes in equity			
Dividends	-	(264,486)	(264,486)
Total comprehensive income	-	826,132	826,132
Balance at 31 March 2017	<u>30,010</u>	<u>2,424,103</u>	<u>2,454,113</u>
Changes in equity			
Dividends	-	(338,544)	(338,544)
Total comprehensive income	-	978,488	978,488
Balance at 31 March 2018	<u><u>30,010</u></u>	<u><u>3,064,047</u></u>	<u><u>3,094,057</u></u>

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	31.3.18 £	31.3.17 £
Cash flows from operating activities			
Cash generated from operations	1	1,689,062	516,907
Interest paid		(50,749)	(57,101)
Interest element of hire purchase payments paid		(8,973)	(10,067)
Tax paid		(130,561)	(48,168)
Net cash from operating activities		1,498,779	401,571
Cash flows from investing activities			
Purchase of tangible fixed assets		(296,334)	(200,767)
Sale of tangible fixed assets		-	10,160
Interest received		340	162
Net cash from investing activities		(295,994)	(190,445)
Cash flows from financing activities			
Loan repayments in year		(62,041)	(83,229)
Hire purchase repayments in year		70,769	(30,585)
Amount withdrawn by directors		(36,773)	-
Equity dividends paid		(338,544)	(264,486)
Net cash from financing activities		(366,589)	(378,300)
Increase/(decrease) in cash and cash equivalents		836,196	(167,174)
Cash and cash equivalents at beginning of year	2	639,740	806,914
Cash and cash equivalents at end of year	2	1,475,936	639,740

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.3.18	31.3.17
	£	£
Profit before taxation	1,132,429	963,382
Depreciation charges	197,349	174,558
Loss on disposal of fixed assets	-	1,793
Finance costs	59,722	67,168
Finance income	(340)	(162)
	<u>1,389,160</u>	<u>1,206,739</u>
Decrease/(increase) in stocks	172,365	(18,815)
Decrease/(increase) in trade and other debtors	215,572	(158,990)
Decrease in trade and other creditors	(88,035)	(512,027)
	<u>1,689,062</u>	<u>516,907</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	<u>1,475,936</u>	<u>639,740</u>

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	<u>639,740</u>	<u>806,914</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. STATUTORY INFORMATION

Cake Decor Ltd is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are delivered to the customer. Turnover from the supply of goods represents the value of goods provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where the contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Property improvements	- 10% on cost
Plant & machinery	- 10% on cost
Fixtures & fittings	- 15% on cost
Office equipment	- 35% on cost
Motor vehicles	- 25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Government grants

Government grants are released to the profit and loss account at the same rate plant & machinery is depreciated.

3. EMPLOYEES AND DIRECTORS

	31.3.18 £	31.3.17 £
Wages and salaries	1,981,571	1,904,048
Social security costs	165,973	143,435
Other pension costs	98,486	81,728
	<u>2,246,030</u>	<u>2,129,211</u>

The average number of employees during the year was as follows:

	31.3.18	31.3.17
Employees	<u>70</u>	<u>81</u>

	31.3.18 £	31.3.17 £
Directors' remuneration	<u>312,499</u>	<u>175,835</u>

The number of directors to whom retirement benefits were accruing was as follows:

	3	3
Money purchase schemes	<u>3</u>	<u>3</u>

Information regarding the highest paid director for the year ended 31 March 2018 is as follows:

	31.3.18 £
Emoluments etc.	<u>132,500</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018

4. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.18	31.3.17
	£	£
Hire of plant and machinery	24,686	33,471
Depreciation - owned assets	147,507	141,965
Depreciation - assets on hire purchase contracts	49,842	32,593
Loss on disposal of fixed assets	-	1,793
Auditors' remuneration	5,500	6,000
Auditors' remuneration for non audit work	13,225	12,735
	<u>13,225</u>	<u>12,735</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.18	31.3.17
	£	£
Bank interest	-	435
Bank loan interest	19,147	22,359
Other loan interest	-	233
HMRC interest	1,492	1,846
Factor charges	30,110	32,228
Hire purchase interest	8,973	10,067
	<u>59,722</u>	<u>67,168</u>

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.3.18	31.3.17
	£	£
Current tax:		
UK corporation tax	211,945	191,271
Prior year tax	(64,971)	(61,095)
Total current tax	146,974	130,176
Deferred tax	6,967	7,074
Tax on profit	<u>153,941</u>	<u>137,250</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.18	31.3.17
	£	£
Profit before tax	1,132,429	963,382
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	215,162	192,676
Effects of:		
Expenses not deductible for tax purposes	6,873	1,297
Capital allowances in excess of depreciation	(10,090)	(2,702)
Adjustments to tax charge in respect of previous periods	(64,971)	(61,095)
Deferred tax	6,967	7,074
Total tax charge	153,941	137,250

7. DIVIDENDS

	31.3.18	31.3.17
	£	£
Ordinary shares of £1 each		
Interim	338,544	264,486

8. TANGIBLE FIXED ASSETS

	Freehold property £	Property improvements £	Plant & machinery £
COST			
At 1 April 2017	824,590	175,387	1,412,696
Additions	-	46,416	206,143
At 31 March 2018	824,590	221,803	1,618,839
DEPRECIATION			
At 1 April 2017	89,331	73,599	652,802
Charge for year	16,492	19,057	136,010
At 31 March 2018	105,823	92,656	788,812
NET BOOK VALUE			
At 31 March 2018	718,767	129,147	830,027
At 31 March 2017	735,259	101,788	759,894

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018

8. TANGIBLE FIXED ASSETS - continued

	Fixtures & fittings £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 April 2017	39,111	56,127	63,599	2,571,510
Additions	7,734	-	36,042	296,335
At 31 March 2018	46,845	56,127	99,641	2,867,845
DEPRECIATION				
At 1 April 2017	24,694	7,510	61,422	909,358
Charge for year	4,253	12,155	9,382	197,349
At 31 March 2018	28,947	19,665	70,804	1,106,707
NET BOOK VALUE				
At 31 March 2018	17,898	36,462	28,837	1,761,138
At 31 March 2017	14,417	48,617	2,177	1,662,152

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant & machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2017	245,630	56,127	301,757
Additions	74,401	-	74,401
Reclassification/transfer	88,578	-	88,578
At 31 March 2018	408,609	56,127	464,736
DEPRECIATION			
At 1 April 2017	45,492	7,510	53,002
Charge for year	37,687	12,155	49,842
Reclassification/transfer	6,813	-	6,813
At 31 March 2018	89,992	19,665	109,657
NET BOOK VALUE			
At 31 March 2018	318,617	36,462	355,079
At 31 March 2017	200,138	48,617	248,755

9. STOCKS

	31.3.18 £	31.3.17 £
Stocks	630,806	803,171

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.18	31.3.17
	£	£
Trade debtors	1,398,735	1,606,684
Other debtors	-	948
Directors' loan accounts	36,773	-
Corporation tax	9,854	-
VAT	48,289	55,865
Prepayments	104,710	103,809
	<u>1,598,361</u>	<u>1,767,306</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.18	31.3.17
	£	£
Bank loans and overdrafts (see note 13)	59,343	58,033
Hire purchase contracts (see note 14)	119,214	71,718
Trade creditors	738,440	521,997
Corporation tax	252,778	226,511
Social security & other taxes	74,249	37,680
Other creditors	14,166	11,069
Factoring current account	64,083	588,723
Accrued expenses	483,534	272,537
Deferred government grants	30,500	30,500
	<u>1,836,307</u>	<u>1,818,768</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.18	31.3.17
	£	£
Bank loans (see note 13)	189,490	252,841
Hire purchase contracts (see note 14)	128,194	104,921
Deferred government grants	62,000	92,500
	<u>379,684</u>	<u>450,262</u>

13. LOANS

An analysis of the maturity of loans is given below:

	31.3.18	31.3.17
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>59,343</u>	<u>58,033</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>59,343</u>	<u>55,335</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>130,147</u>	<u>197,506</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.3.18	31.3.17
	£	£
Net obligations repayable:		
Within one year	119,214	71,718
Between one and five years	128,194	104,921
	<u>247,408</u>	<u>176,639</u>
	Non-cancellable operating leases	
	31.3.18	31.3.17
	£	£
Within one year	-	1,910
Between one and five years	20,783	28,493
In more than five years	76,664	-
	<u>97,447</u>	<u>30,403</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.18	31.3.17
	£	£
Bank loans	248,833	310,874
Factoring current account	64,083	588,723
	<u>312,916</u>	<u>899,597</u>

The bank hold a bond and floating charge over the assets of the company and have a standard security over the premises at 2 Little Drum Road, Cumbernauld.

The bank also holds a floating charge over the factored debtors of the company.

16. PROVISIONS FOR LIABILITIES

	31.3.18	31.3.17
	£	£
Deferred tax	<u>156,193</u>	<u>149,226</u>
		Deferred tax
		£
Balance at 1 April 2017		149,226
Accelerated capital allowances		6,967
Balance at 31 March 2018		<u>156,193</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1.	31.3.18	31.3.17
Number:	Class:		£	£
30,010	Ordinary		<u>30,010</u>	<u>30,010</u>

18. RESERVES

	Retained earnings £
At 1 April 2017	2,424,103
Profit for the year	978,488
Dividends	<u>(338,544)</u>
At 31 March 2018	<u>3,064,047</u>

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 March 2018 and 31 March 2017:

	31.3.18 £	31.3.17 £
W Donnelly		
Balance outstanding at start of year	-	-
Amounts advanced	(41,792)	-
Amounts repaid	5,019	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(36,773)</u>	<u>-</u>

The directors loan is given interest free and is repayable on demand.

20. RELATED PARTY DISCLOSURES

Dividends paid to director Mr W Donnelly during the year amounted to £338,544 (2017 £264,486).

Included within trade debtors is £35,219 (2017 £19,971) due from For All Baking Ltd a related company by virtue of director Mr W Donnelly also being a director and shareholder of that company. Also included within the trading and profit & loss account is income received from For All Baking Ltd of £157,403 (2017 £97,542).