AIM: WYN
21 January 2015

WYNNSTAY GROUP PLC
("Wynnstay" or "the Group" or "the Company")

Final Results
For the year ended 31 October 2014

Key Points

- Robust results with Group's broad spread of activities continuing to be a major strength
- Revenue at £413.56m (2013: £413.48m)
  - affected by commodity price deflation but volume gains in certain markets
- Group pre-tax profit* of £8.60m (2013: £8.46m excluding exceptional item of £0.35m and £8.11m after exceptional item)
  - following robust H2 performance
- Earnings per share of 35.28p (2013: 36.43p)
- Net cash at the year end of £2.75m (2013: net debt of £2.49m)
- Net assets at 31 October 2014 up 8% to £77.23m (2013: £71.55m)
- Proposed final dividend of 6.80p, taking total for the year to 10.20p, a rise of 9.7% (2013: 9.30p)
- Agricultural Division – revenue at £308.71m, operating profit of £3.80m:
  - overall increase in volumes but margin pressure across core product categories
  - fall in grain prices (to 2008 levels) tempered fertiliser and grain trading activity in H2
- Specialist Retail Division – revenue at £104.62m, operating profit of £4.88m:
  - benefited from CPF acquisition, including profit contribution in H2
  - now 42 Country Stores (catering mainly for farmers) and 20 Just for Pets stores
- Outlook positive despite near term challenges of reduced output prices for farmers

**Group pre-tax profit includes the Group's share of pre-tax profits from joint ventures and associate investments but excludes the exceptional item*

Ken Greetham, Chief Executive, commented:

"*Wynnstay's results are pleasing and in line with overall management expectations, with a robust second half contributing to a record annual profit. The trading backdrop was markedly different to the comparable period last year, with price deflation, falling output prices and a significant variation in weather conditions. However the broad business base has once again provided a buffer against the challenges arising from the varied trading conditions during the year. We continued to extend our market presence across a number of our sectors, aided by our recent acquisitions, including CPF, which has integrated very well.*

The macro economic factors driving long term prospects for UK agriculture remain compelling despite the short term issues resulting from the decline in output prices, which has been particularly evident in the dairy sector. While there are only limited signs of a reversal for our farmer customers at this point, we expect global food and energy demand to return output prices to more realistic levels, bringing renewed vigour to the sector.

Wynnstay is well placed, with a strong balance sheet and a broad spread of activities across the sector, producing a track record of sustainable results, and we remain confident about the Group's prospects despite near term challenges."

Enquiries:

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CHAIRMAN'S STATEMENT

OVERVIEW

Wynnstay has performed well during the year, with increased profits and the successful integration of recent acquisitions aiding the expansion of our Specialist Retail Division. The variable climatic conditions experienced over the past few years have created volatility in the agricultural market. This has been evident in a significant variation in yields of agricultural outputs, ultimately leading to a reduction in commodity pricing over the last twelve months.

Wynnstay's diversified spread of agricultural activities helps balance the effect of volatility within its markets. The benefit of Wynnstay's cross-sector activities has been particularly evident in the year under review, which saw a movement of income between the two halves of the financial year and indeed within different sectors of the Group.

Overall Group pre-tax profits increased to £8.60m year-on-year, a record high. Revenues of £413.56m were similar to the prior year reflecting both the increase in trading activity and price deflation across the sector.

Deflation was particularly evident within the Agricultural Division where, despite an overall increase in volumes of trade, revenues reduced by 4% to £308.71m. Operating profit reduced to £3.80m mainly as a result of margin pressure on agricultural inputs and lower than expected market activity in fertiliser and grain in the second half of the year, a reduction which affected the sector as a whole.

Our Specialist Retail Division, which includes the agriculturally-biased Wynnstay Stores, Just for Pets and Youngs Animal Feeds, performed well during the year. Revenue increased by 16% to £104.62m, boosted by the Carmarthen & Pumsaint Farmers business ("CPF") acquired in October 2013, and operating profit increased by 10% to £4.88m. Wynnstay Stores now operates from 42 outlets, forming an essential link between farmer customers and our Agricultural Division.

FINANCIAL RESULTS

Revenues for the year to 31 October 2014 were similar to the previous year at £413.56m (2013: £413.48m). The Agricultural Division contributed £308.71m (2013: £323.00m) to the total, with commodity price deflation significantly affecting its result. The Specialist Retail Division contributed £104.62m (2013: £90.19m), with the year-on-year increase mainly driven by a first full year's contribution from the CPF acquisition which was completed in October 2013.

Group pre-tax profit was £8.60m (2013: £8.46m prior to £0.35m of exceptional costs relating to the CPF acquisition and £8.11m after exceptional costs). The operating profit contribution from the Agricultural Division, including joint ventures, showed a year-on-year reduction at £3.80m (2013: £4.90m). This decrease primarily reflected margin pressure from lower market demand across core product categories. Including joint ventures, the Specialist Retail Division contributed an operating profit of £4.88m (2013: £4.43m), with the CPF acquisition performing ahead of initial expectations. Other activities showed an operating profit of £0.25m (2013: loss of £0.39m) benefiting from improved joint venture contributions.

Net finance charges amounted to £0.33m (2013: £0.48m) due to reduced average net debt. After a Group taxation charge of £1.90m (2013: £1.94m), net earnings were 8.5% higher year-on-year at £6.70m (2013: £6.17m). This equates to 35.28p per share (2013: 36.43p). There was an increased number of shares in issue in the year following the fund raising in September 2013 to acquire the CPF business.

Net assets at 31 October 2014 were 8% higher at £77.23m or £4.07 per share (2013: £71.55m or £4.22 per share).

Strong cash flow produced a net cash position at the year end of £2.75m (2013: net debt £2.49m), with commodity deflation contributing to an improved working capital position and cash utilisation.

The return on net assets was 11.3% (2013: 12.1%), with the reduction mostly attributable to the additional capital raised towards the end of last year for the acquisition of CPF, from which further integration benefits are still expected.

GROUP REORGANISATION

We completed the Group restructuring prior to the commencement of trading for the 2013/14 financial year transferring the existing trading activities conducted through Wynnstay Group Plc into our trading subsidiary, Wynnstay (Agricultural Supplies) Limited which was initially established to effect our acquisition of the CPF business.

This internal reorganisation has created a holding company and six trading subsidiaries which conduct the commercial activity of the business. Accordingly, the Company's financial statements reflect the reorganisation.

DIVIDEND

The Board is pleased to propose the payment of a final dividend of 6.80p per share (2013: 6.20p), representing a rise of 9.7% year-on-year. This together with the interim dividend of 3.40p per share, paid on 31 October 2014, takes the total dividend for the year to 10.20p, an increase of 9.7% on the prior year (2013: 9.30p).

The final dividend will be paid on 30 April 2015 to shareholders on the register on 27 March 2015. Subject to shareholder approval, a scrip dividend alternative will continue to be available as in previous years. The last date for election for the scrip dividend will be 16 April 2015.

THE BOARD

In July 2014, we were delighted to welcome Howell Richards to the Board as a Non-executive Director. He has over thirty years' experience of the agricultural industry and practical experience of the commercial challenges in UK farming today, having established one of the largest dairy farms in the UK. Wynnstay will benefit from his knowledge and expertise.

Non-executive Director, Jeff Kendrick, retired from the Group at Wynnstay's AGM in March 2014 and I would like to express the Board's thanks once again for his tremendous contribution over 25 years of service. We also announce today that Lord Carlile will be retiring from the Board and the Company at the Group's forthcoming AGM. Lord Carlile has added significant value as a Non-executive Director for over 16 years and Wynnstay has greatly benefited from his experience and wise counsel. We intend to make another Non-executive appointment in due course.

COLLEAGUES

All colleagues at Wynnstay show great dedication and commitment both to the Group and our customers. On behalf of the Board, I express our appreciation and gratitude; Wynnstay's success is the product of everyone's hard work, passion and dedication.

OUTLOOK

Long term prospects for the UK agricultural industry remain buoyant despite the short term issues which have arisen as a result of the decline in output prices. The industry remains cyclical, mainly driven by climatic conditions, with the resultant price volatility. While output prices for our farmer customers are currently weak, especially for the dairy sector, macro economic factors, including increasing global food demand, should drive a return to more realistic prices.

Wynnstay is well placed to meet the short term challenges, with its broad spread of activities across the sector continuing to produce sustainable results, and we remain confident about the Group's prospects. Our strategy of a combination of organic and acquisitive growth will continue, aided by our strong balance sheet and record of successful business acquisition.

Jim McCarthy
Chairman

CHIEF EXECUTIVE'S REVIEW

INTRODUCTION

Wynnstay has demonstrated resilience in a market which has seen a high degree of volatility over the past two years. The Group's results are pleasing and in line with overall management expectations, with a robust second half contributing to a record annual profit before tax of £8.60m. Whilst revenue of £413.56m is flat year-on-year, the trading backdrop was markedly different to the comparable period last year, with price deflation, falling output prices and a significant variation in weather conditions, particularly between the two winter periods. However the broad business base has once again provided a buffer against the challenges arising from the varied trading conditions during the year, and we are gaining market share across a number of sectors.

2014 was a year of both consolidation and investment to support further organic growth. In particular, we completed the integration of recent acquisitions, including CPF purchased in October 2013, which made its first and higher-than-budgeted contribution to Group profitability in the second half of the year.

While output prices for our farmer customers remain a concern for the sector in the short term, long term prospects remain strong with the anticipated increase in demand continuing to be a feature of the well-accepted macro factors.

REVIEW OF ACTIVITIES

Agriculture

The Agricultural Division generated £308.71m of revenue, a 4.4% decrease year-on-year, reflecting a change in product mix and price deflation. Operating profits reduced to £3.80m after two years of strong results (2013: £4.90m). This reduction resulted from margin pressure across the Division's raw material, fertiliser and seed activities which was experienced throughout the year. More broadly, results for the year also reflected the mild weather conditions of the winter, which contrasted significantly to those experienced in the prior year, as well as the subdued market conditions for agricultural outputs which affected trading activity in the second half of the year. A return to more normal weather patterns after the winter benefited crop production, resulting in good grazing and forage production for livestock farmers as well as high yields for many arable units.

Feed Products

The business manufactures feed for the poultry and ruminant markets, and trades raw materials within the sector. Our broad spread of feed activities minimises the risk of exposure to any specific market segment and acts as a buffer against market volatility.

Demand for ruminant feed has been lower this year against the prior year, mainly due to the mild weather in the winter and spring, and lower milk prices which reduced demand from dairy farmers. However, whilst overall feed volumes for the year reduced by 2%, volumes in the second half were strong, showing an increase over the equivalent period in 2013. There was a notable rise in sales of blended products which offset reduced sheep feed volumes in early spring. Our investment in production facilities has enabled efficiencies to be gained during the year contributing to an improved performance in manufactured feeds.

Glasson

Operating its own port facilities at Glasson Dock, near Lancaster, the Glasson business is a long standing supplier of raw materials to the agricultural wholesale market. It also manufactures specialist products for wholesale merchants and processes fertiliser for both direct sale and to the wholesale sector. After two years of outperformance, this year's contribution from Glasson was below the level of both prior years. This reflected reduced margins across both Glasson's raw materials trading and fertiliser activities. Volumes in raw materials however were buoyant as feed manufacturers sourced alternative raw materials to replace UK grain which was in short supply following the poor 2013 harvest. Fertiliser sales increased during the year within the Glasson and the FertLink joint venture business although sales in the latter part of the year were lower as farmers held back from buying for the 2015 cropping year. Demand for specialist products remains strong and the business continues to develop within this market.

Arable Products
The arable division has developed well over recent years despite the poor weather conditions in 2012 and 2013. The Group is recognised as one of the major seed processors in the UK, and sales of cereal and herbage seed over the year reached record levels, reflecting high volumes in the autumn. However margins came under pressure, largely as a result of the reduction in grain prices across the industry.

Fertiliser sales in the arable division increased by 19% year-on-year, incrementally benefiting from CPF's first full year's contribution. Demand was buoyant in the spring as farmers embraced ideal growing conditions but tempered in the autumn, with reduced margins, reflecting the pattern experienced by our Glasson business.

The UK grain harvest has been good in 2014 reaching the expectations previously indicated. While this brings opportunity for the GrainLink and Woodheads grain trading teams, the fall in grain prices in the autumn to levels last seen in 2008 has meant that farmers have been reluctant to sell. We therefore expect a high proportion of the volume will be marketed during the 2015 financial year.

Specialist Retail

The Specialist Retail Division, which comprises Wynnstay Stores, Just for Pets and Youngs Animal Feeds, performed well during the year. Total revenues increased by 16% to £104.62m with operating profit rising by 10% to £4.88m. These results benefited from the first full year's contribution from CPF, with the business moving into profitability in the second half as expected. CPF's network of stores in South West Wales has now been fully integrated, strengthening our offering in this region. Just for Pets has seen pleasing like-for-like growth reflecting increased activity within the chain.

Wynnstay Stores
The Wynnstay Stores chain of rural retail outlets, which now has 42 stores, including seven CPF outlets, provides a wide range of products for farmers and rural dwellers.

The CPF stores were fully integrated during the year and made a good contribution in the second half. We also acquired Mansell Powell Supplies, a small agricultural business operating from Pontrilas in Herefordshire, and completed the relocation of our Llanfair Caereinion store in Mid Wales to a larger site, enabling us to offer a broader range of products to farmers and other local customers. Since the year end, we have added two further stores. In November 2014, we opened an outlet in Aberystwyth, an area not fully serviced previously and, in January 2015, acquired Ross Feed, a business selling a wide range of agricultural and smallholder products operating in Ross-on-Wye. This latest acquisition takes our stores total to 42 and further extends our geographic reach, in line with our strategic plans for the business.

Total stores revenues, including CPF stores, increased by 25% over the prior year. On a like-for-like basis, sales increased by 2% excluding adjustment for deflation in feed products. This result is particularly pleasing given the strong performance in the previous year which benefited from the very high feed demand during the extended winter period.

As we focus on the requirements of farmers, the retail team continues to investigate new products which can aid farmer efficiency. The new products we have introduced include large-scale ventilation and lighting systems for dairy units, and we have also further extended the range of our agricultural hardware products. Our new product initiatives have been well received and contributed to the stores' performance this year. Our focus on innovation continues and the Group is launching a comprehensive Dairy Catalogue containing over 3,000 products for the dairy industry. Both the expansion of our product range and this new dairy initiative will support our long term strategy to expand into new geographic trading areas as well as increase our penetration within our existing regions.

Just for Pets

Just for Pets, our chain of pet product outlets, has seen the benefit of the marketing initiatives implemented over the past two years as consumer sentiment has improved. Average spend increased over the period, contributing to a 4.5% increase in like-for-like sales for the year. Sales at our Yardley outlet benefited from our decision to transfer the trade from the Acocks Green store since both operated within a similar retail catchment area. Just for Pets focuses strongly on customer service and has received many awards recognising the quality of the staff and outlets in the Just for Pets chain. The number of outlets currently stands at 20 stores and we expect to open an additional outlet in the spring of 2015.

Youngs Animal Feeds

Youngs manufactures and distributes a range of equine products for distribution by specialist outlets across the centre of the UK. The business has performed well, maintaining its position in the market.

Joint Ventures and Associate

The Group benefits from the contribution of an associate business, Wynnstay Fuels, and a number of joint venture businesses, including Bibby Agriculture, Wyro, GeoGen, FertLink and Total Angling. All businesses have performed in line with management expectations and continue to make a valuable contribution to the Group.

Staff

I would like to take this opportunity to recognise the commitment of all our staff to the continued development of the Group. Wynnstay's success is based on the hard work, dedication and skills of all staff and I would like to record my personal appreciation and thanks.

I would also like to add my thanks both to Jeff Kendrick who retired from the Group in 2014 and to Lord Carlile who will be retiring at the forthcoming AGM. At the same time, I am delighted to welcome Howell Richards who joined Wynnstay as a Non-executive Director in July 2014.

OUTLOOK

Output prices for our farmer customers have changed significantly over the last year and remain a concern especially for the dairy sector. This, combined with the reforms to the Common Agricultural Policy, will bring further changes to the agricultural industry including some short term challenges. However, the macro economic factors remain compelling as we see continued growth in world demand for food and energy, which should allow output prices to return to a more acceptable level, bringing renewed vigour to the sector.

The broad base to the Group gives a degree of resilience during the more challenging times and the business is well placed to offer the products and services required for an efficient agricultural industry. In line with our strategic plans for growth, we will be investing in our IT and management systems over the coming year to support the Group's continuing development. Overall the agricultural sector remains strong and the Group's broad spread of activities forms a solid foundation for the continued development of the business and sustainable returns for all stakeholders.

I look forward to providing an update on trading at Wynnstay's AGM in March.

Ken Greetham
Chief Executive

WYNNSTAY GROUP PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 October 2014

	Note	2014 £000	2014 £000	2013 £000	2013 £000
Revenue	2		**413,558**		413,481
Cost of sales			**(360,353)**		(363,728)
GROSS PROFIT			**53,205**		49,753
Manufacturing distribution and selling costs			**(40,838)**		(36,672)
Administrative expenses			**(4,455)**		(4,319)
Other income			**588**		-
GROUP OPERATING PROFIT BEFORE INTANGIBLE AMORTISATION, SHARE BASED PAYMENT COSTS AND EXCEPTIONAL ITEM			**8,500**		8,762
Intangible amortisation and share based payments			**(109)**		(182)
Exceptional item	4		**-**		(350)
GROUP OPERATING PROFIT	5		**8,391**		8,230
Interest income	3	**52**		46	
Interest expense	3	**(378)**	**(326)**	(524)	(478)
Share of profits/(losses) in associate and joint ventures accounted for using the equity method		**536**		362	
Share of tax incurred by associate and joint ventures	6	**(108)**	**428**	(93)	269
PROFIT BEFORE TAXATION			**8,493**		8,021
Taxation	7		**(1,796)**		(1,850)
PROFIT FOR THE YEAR			**6,697**		6,171
Earnings per 25p share	9		**35.28p**		36.43p
Diluted earnings per 25p share	9		**34.63p**		35.25p

All of the above are derived from continuing operations.
There was no other comprehensive income during the current and prior year.

WYNNSTAY GROUP PLC
CONSOLIDATED BALANCE SHEET
As at 31 October 2014

	Note	2014 £000	2013 £000
ASSETS			
NON-CURRENT ASSETS			
Goodwill		**17,209**	17,014
Property, plant and equipment		**18,289**	17,861
Investments accounted for using equity method		**3,643**	3,365
Intangibles		**89**	99
		39,230	38,339
CURRENT ASSETS			
Inventories		**29,758**	30,602
Trade and other receivables		**48,749**	51,271
Held for sale assets		**2,372**	2,287
Financial assets			
- loan to joint venture		**2,802**	3,067
Cash and cash equivalents	11	**8,990**	6,636
		92,671	93,863
TOTAL ASSETS		**131,901**	132,202
LIABILITIES			
CURRENT LIABILITIES			
Financial liabilities – borrowings	12	**(3,938)**	(4,855)
Trade and other payables		**(47,088)**	(49,338)
Current tax liabilities		**(678)**	(1,221)
		(51,704)	(55,414)
NET CURRENT ASSETS		**40,967**	38,449
NON-CURRENT LIABILITIES			
Financial liabilities – borrowings	12	**(2,300)**	(4,269)
Trade and other payables		**(339)**	(711)
Deferred tax liabilities		**(327)**	(259)
		(2,966)	(5,239)
TOTAL LIABILITIES		**(54,670)**	(60,653)
NET ASSETS		**77,231**	71,549
EQUITY			
Share capital	13	**4,777**	4,713
Share premium		**27,633**	26,986
Other reserves		**2,796**	2,697
Retained earnings		**42,025**	37,153
TOTAL EQUITY		**77,231**	71,549

WYNNSTAY GROUP PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 31 October 2014

Group	Share capital £000	Share premium account £000	Other reserves £000	Retained earnings £000	Total £000
At 1 November 2012	4,186	17,677	2,515	32,448	56,826
Profit for the year	-	-	-	6,171	6,171
Total comprehensive income for the year	-	-	-	6,171	6,171
Transactions with owners of the Company recognised directly in equity :					
Shares issued during the year	527	9,309	-	-	9,836
Dividends	-	-	-	(1,466)	(1,466)
Equity settled share- based payment transactions	-	-	182	-	182
Total contributions by and distributions to owners of the Company	527	9,309	182	(1,466)	8,552
At 31 October 2013	4,713	26,986	2,697	37,153	71,549
Profit for the year	-	-	-	6,697	6,697
Total comprehensive income for the year	-	**-**	**-**	**6,697**	**6,697**
Transactions with owners of the Company recognised directly in equity:					
Shares issued during the year	64	647	-	-	711
Dividends	-	-	-	(1,825)	(1,825)
Equity settled share- based payment transactions	-	-	99	-	99
Total contributions by and distributions to owners of the Company	**64**	**647**	**99**	**(1,825)**	**(1,015)**
At 31 October 2014	**4,777**	**27,633**	**2,796**	**42,025**	**77,231**

There was no other comprehensive income during the current and prior year.

WYNNSTAY GROUP PLC
CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 October 2014

	Note	2014 £000	2013 £000
Cash flows from operating activities			
Cash generated from operations	15	**11,773**	12,956
Interest received		**52**	46
Interest paid		**(378)**	(524)
Tax paid		**(2,271)**	(2,036)
Net cash flows from operating activities		**9,176**	10,442
Cash flows from investing activities			
Acquisition in the year		**(120)**	(5,254)
Utilisation of cash acquired on acquisition		**-**	47
Proceeds from sale of property, plant and equipment		**289**	729
Purchase of property, plant and equipment		**(2,450)**	(1,878)
Proceeds on sale of investments		**150**	150
Investments in asset held for resale		**(85)**	(130)
Purchase of investments		**-**	(40)
Net cash flows used by investing activities		**(2,216)**	(6,376)
Cash flows from financing activities			
Net proceeds from the issue of ordinary share capital		**711**	9,836
Net proceeds from drawdown of new loans		**272**	896
Finance lease principal repayments		**(792)**	(830)
Repayment of borrowings		**(2,054)**	(1,708)
Dividends paid to shareholders		**(1,825)**	(1,466)
Net cash flows generated from financing activities		**(3,688)**	6,728
Net increase in cash and cash equivalents		**3,272**	10,794
Cash and cash equivalents at the beginning of the period		**5,117**	(5,677)
Cash and cash equivalents at the end of the period	11	**8,389**	5,117

WYNNSTAY GROUP PLC

NOTES TO THE ACCOUNTS

1. The Company is taking advantage of the exemption in s408 of the Companies Act 2006, not to present its individual income statement and related notes of these approved financial statements.

2. SEGMENTAL REPORTING

IFRS 8 requires operating segments to be identified on the basis of internal financial information about the components of the Group that are regularly reviewed by the chief operating decision maker (CODM) to allocate resources to the segments and to assess their performance.

The chief operating decision maker has been identified as the Board of Directors ("the Board"). The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The Board has determined that the operating segments, based on these reports are Agriculture, Specialist Retail and Other.

The Board considers the business from a product/service perspective. In the Board's opinion, all of the Group's operations are carried out in the same geographical segment, namely the United Kingdom.
Agriculture – Manufacturing and supply of animal feeds, fertiliser, seeds and associated agricultural products.

Specialist Retail – Supplies of a wide range of specialist products to farmers, smallholders and pet owners.

Other – Miscellaneous operations not classified as agriculture or specialist retail.

The Board assesses the performance of the operating segments based on a measure of operating profit. Finance income and costs are not included in the segment result that is assessed by the Board. Other information provided to the Board is measured in a manner consistent with that in the financial statements.

Inter-segmental transactions are entered into under the normal commercial terms and conditions that would be available to unrelated third parties.

2. SEGMENTAL REPORTING – (continued)

The segment results for the year ended 31 October 2014 are as follows:

Year ended 31 October 2014	**Agriculture £000**	**Specialist Retail £000**	**Other £000**	**Total £000**
Revenue from external customers	**308,711**	**104,617**	**230**	**413,558**
Segment result	**3,476**	**4,798**	**117**	**8,391**
Share of results of associate and joint ventures before tax	**326**	**77**	**133**	**536**
	3,802	**4,875**	**250**	**8,927**
Exceptional item				**-**
Interest income				**52**
Interest expense				**(378)**
Profit before tax				**8,601**
Income taxes (includes tax of associate and joint ventures)				**(1,904)**
Profit for the year attributable to equity shareholders				**6,697**
Segment net assets	**29,449**	**37,849**	**7,181**	**74,479**
Corporate net cash (note 12)				**2,752**
Total net assets				**77,231**

Year ended 31 October 2013	**Agriculture £000**	**Specialist Retail £000**	**Other £000**	**Total £000**
Revenue from external customers	322,995	90,191	295	413,481
Segment result	4,542	4,427	(389)	8,580
Share of results of associate and joint ventures before tax	359	-	3	362
	4,901	4,427	(386)	8,942
Exceptional item				(350)
Interest income				46
Interest expense				(524)
Profit before tax				8,114
Income taxes (includes tax of associate and joint ventures				(1,943)
Profit for the year attributable to equity shareholders				6,171
Segment net assets	29,553	37,194	7,290	74,037
Corporate net borrowings (note 12)				(2,488)
Total net assets				71,549

3. FINANCE COSTS

	2014 £000	2013 £000
Interest expense:		
Interest payable on borrowings	**(271)**	(378)
Interest payable on finance leases	**(107)**	(108)
Interest payable on other loans	**-**	(38)
Interest and similar charges payable	**(378)**	(524)
Interest income	**52**	46
Interest receivable	**52**	46
Finance costs – net	**(326)**	(478)

4. EXCEPTIONAL ITEM

	2014 £000	2013 £000
Exceptional costs	**-**	(350)

Exceptional costs relate to the expenses associated with the acquisition and subsequent re-organisation of the business and certain trading assets of Carmarthen & Pumsaint Farmers.

5. GROUP OPERATING PROFIT

The following items have been included in arriving at operating profit:

	2014 £000	2013 £000
Staff costs	**23,816**	21,597
Depreciation of property, plant and equipment:		
- owned assets	**1,945**	1,881
- under finance leases	**564**	641
Amortisation of intangibles	**10**	1
(Profit) on disposal of fixed assets	**(171)**	(131)
Other operating lease rentals payable	**2,858**	2,323
Repairs and maintenance expenditure on plant, property and equipment	**1,630**	1,715
Trade receivables impairment	**68**	52

Services provided by the Group's auditor:

During the year the Group obtained the following services from the Group's auditor

	2014 £000	2013 £000
Audit services – statutory audit	**95**	90
Tax services	**4**	4
Other services	**1**	28

Included in the Group audit fee are fees of £5,000 (2013: £43,500) paid to the Group's auditor in respect of the parent company, the fees relating to the parent company this year are borne by one of the Group's subsidiaries .

6. SHARE OF POST-TAX PROFITS/ (LOSSES) OF ASSOCIATE AND JOINT VENTURES

	2014 £000	2013 £000
Share of post-tax profit in associate	**85**	54
Share of post-tax profits in joint ventures	**343**	215
Total share of post-tax profits of associate and joint ventures	**428**	269

7. TAXATION

Analysis of tax charge in year	2014 £000	2013 £000
Current tax		
- continuing operations	**1,839**	1,915
- adjustments in respect of prior years	**(111)**	(7)
Total current tax	**1,728**	1,908
Deferred tax		
- accelerated capital allowances	**77**	(51)
- effect of decrease of rate	**(9)**	(7)
Total deferred tax	**68**	(58)
Tax on profit on ordinary activities	**1,796**	1,850

8. DIVIDENDS

	2014 £000	2013 £000
Final dividend paid for prior year	**1,177**	946
Interim dividend paid for current year	**648**	520
	1,825	1,466

Subsequent to the year end it has been recommended that a final dividend of 6.80p net per ordinary share (2013: 6.20p) be paid on 30 April 2015. Together with the interim dividend already paid on 31 October 2014 of 3.40p net per ordinary share (2013: 3.10p), this would result in a total dividend for the financial year of 10.20p net per ordinary share (2013: 9.30p).

9. EARNINGS PER SHARE

	Basic earnings per share		Diluted earnings per share	
	2014	**2013**	**2014**	**2013**
Earnings attributable to shareholders (£'000)	**6,697**	6,171	**6,697**	6,171
Weighted average number of shares in issue during the year (number '000)	**18,981**	16,941	**19,338**	17,508
Earnings per ordinary 25p share (pence)	**35.28**	36.43	**34.63**	35.25

Basic earnings per 25p ordinary share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year excluding those held in the Employee Share Ownership Trust which are treated as cancelled.

For diluted earnings per share, the weighted average number of ordinary shares is adjusted to assume conversion of all dilutive potential ordinary shares (share options and warrants) taking into account their exercise price in comparison with the actual average share price during the year.

10. BUSINESS COMBINATIONS

During the year the Group completed one acquisition which was structured as an asset purchase.

On 1 October 2014 Wynnstay (Agricultural Supplies) Limited completed the purchase of the goodwill and certain assets of Mansell Powell Supplies, a supplier of agricultural goods based in Pontrilas, Herefordshire, for an initial consideration of £154,001, consisting of goodwill of £120,000 and stock of £20,001, paid at completion, with a further £14,000 paid for stock upon completion of valuation. Additional contingent payments for goodwill of up to £75,000 may be paid over the next three years depending on the profitability of the acquired enterprise. The maximum consideration of goodwill of £195,000 has been measured as the fair value of the liability.

The acquisition extends the Group's geographic trading area and farmer customer base, as well as adding an additional outlet to the Group's Country Store chain.

11. CASH AND CASH EQUIVALENTS AND BANK OVERDRAFTS

	Group	
	2014	2013
	£000	£000
Cash and cash equivalents per balance sheet	**8,990**	6,636
Bank overdrafts	**(601)**	(1,519)
Cash and cash equivalents per cash flow statement	**8,389**	5,117

12. FINANCIAL LIABILITIES – BORROWINGS

Current

	2014	2013
	£000	£000
Bank loans and overdrafts due within one year or on demand:		
Secured overdrafts	**601**	1,519
Secured loans	**1,979**	1,940
	2,580	3,459
Loan capital (unsecured)	**656**	672
Other loanstock (unsecured)	**16**	17
Net obligations under finance leases	**686**	707
	3,938	4,855

Non-current

	2014	2013
	£000	£000
Bank loans:		
Secured	**1,549**	3,354
	1,549	3,354
Net obligations under finance leases	**751**	915
	2,300	4,269

12. FINANCIAL LIABILITIES – BORROWINGS (continued)

Bank loans and overdrafts include overdrafts totalling £3,944,768 (2013: £1,519,346) relating to subsidiary companies, which are secured by debentures over the assets of those companies.

Finance lease obligations are secured on the assets to which they relate.

	2014	2013
	£000	£000
Borrowings are repayable as follows:		
On demand or within one year	**3,938**	4,855
In the second year	**1,791**	2,487
In the third to fifth years inclusive	**509**	1,782
Over five years	**-**	-
	6,238	9,124
Finance leases included above are repayable as follows:		
On demand or within one year	**686**	707
In the second year	**419**	502
In the third to fifth years inclusive	**332**	413
Over five years	**-**	-
	1,437	1,622
The net borrowings are:		
Borrowings as above	**6,238**	9,124
Cash and cash equivalents	**(8,990)**	(6,636)
Net (cash)/ debt	**(2,752)**	2,488

13. SHARE CAPITAL

	2014		2013	
	No. of shares '000	**£000**	No. of shares '000	£000
Authorised				
Ordinary shares of 25p each	**40,000**	**10,000**	40,000	10,000
Allotted, called up and fully paid				
Ordinary shares of 25p each	**19,108**	**4,777**	18,850	4,713

During the year 62,970 shares (2013: 68,488) were issued with an aggregate nominal value of £15,743 (2013: £17,122) and were fully paid up for equivalent cash of £390,418 (2013: £333,036) to shareholders exercising their right to receive dividends under the Company's scrip dividend scheme.
A total of 195,282 (2013: 357,406) shares with an aggregate nominal value of £48,821 (2013: £89,352) were issued for a cash value of £320,511 (2013: £800,994) to relevant holders exercising options in the Company. No other shares were issued for cash in this financial year (2013: 1,682,242 shares with a nominal value of £420,560 were issued to other parties in a private share placing for a total net cash value of £8,702,310).

14. POST BALANCE SHEET EVENT

On 12 January 2015 the Group completed the purchase of the goodwill and certain assets of Ross Feed Limited, a supplier of agricultural and hardware goods based in Ross on Wye, Herefordshire.

Details of the estimated asset values acquired and the provisional price paid are given below, together with the previous trading performance of the business acquired as extracted in the latest available unaudited accounts of the business.

Date of acquisition	12 January 2015
Initial fair value of acquisition:	**Fair Value £000**
Plant and equipment	19
Inventories	170
Goodwill	312
Estimated total fair value of acquisition	501
Consideration paid as follows:	
Net cash paid on completion	365
Less retention pending confirmation of Net Asset values at completion	76
Fair value of contingent consideration to be paid after one year	60
Estimated total fair value of acquisition	501

The final consideration to be paid is subject to confirmation of the Inventories value, and the financial performance of the acquired business in the period from acquisition to 1 January 2016.

In line with the sale and purchase agreement the maximum contingent consideration will be £60,000.

Revenue in the year to 30 June 2014, being the latest complete information available, was £1,044,000 and profit on ordinary activities before tax in that year was £123,000. The acquisition of the business extends the Group's geographic trading area and farmer customer base, as well as adding additional outlet to the Group's Country Store Chain.

15. CASH GENERATED FROM OPERATIONS

	2014	2013
	£000	£000
Profits for the year	**6,697**	6,171
Adjustments for:		
Tax	**1,796**	1,850
Depreciation of tangible fixed assets	**2,509**	2,522
Amortisation of other intangible fixed assets	**10**	-
(Profit) on disposal of property, plant and equipment	**(171)**	(131)
Interest income	**(52)**	(46)
Interest expense	**378**	524
Share of results of joint ventures and associate	**(428)**	(269)
Share based payments	**99**	182
Changes in working capital (excluding effects of acquisitions and disposals of subsidiaries):		
Decrease in short term loan to joint ventures	**265**	185
Decrease/(increase) in inventories	**844**	(1,000)
Decrease/(increase) in trade and other receivables	**2,522**	(1,600)
(Decrease)/increase in payables	**(2,696)**	4,568
Cash generated from operations	**11,773**	12,956

16. RESPONSIBILITY STATEMENT

The Directors below confirm to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

- the management report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

J McCarthy
P M Kirkham
Lord Carlile CBE QC
B P Roberts
K R Greetham
D A T Evans
H J Richards

17. CONTENT OF THIS REPORT

The financial information set out above does not constitute the Group's statutory accounts for the years ended 31 October 2014 or 31 October 2013, but is derived from those accounts.

Statutory accounts for 2013 have been delivered to the Registrar of Companies. The auditor, KPMG Audit Plc, has reported on the 2013 accounts; the report (i) was unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The statutory accounts for 2014 will be delivered to the Registrar of Companies following the Annual General Meeting. The auditor, KPMG LLP, has reported on these accounts; their report is unqualified, does not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and; does not include a statement under either section 498(2) or (3) of the Companies Act 2006.

The Annual Report and full Financial Statements will be posted to shareholders during the week commencing 2 February 2015. Further copies will be available to the public, free of charge, from the Company’s Registered Office at Eagle House, Llansantffraid, Powys, SY22 6AQ or on the Company’s website at www.wynnstay.co.uk.

18. ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at The Lion Quays Hotel and Spa, Lion Quays, Weston Rhyn, Oswestry, Shropshire, SY11 3EN on 24 March 2015 at 11.45am.