

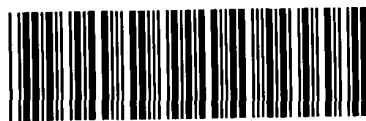
Company Registration No. 00019739

PIC Fyfield Limited

Annual Report and Financial Statements

For the year ended 30 June 2017

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PIC Fyfield Limited

Annual report and financial statements for the year ended 30 June 2017

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PIC Fyfield Limited

Officers and professional advisors

Directors

K Bitar
D Noonan
S Wilson

Company Secretary

C Crichton

Registered office

Matrix House
Basing View
Basingstoke
Hampshire
RG21 4DZ

Bankers

Barclays Bank PLC
51 Mosley Street
Manchester
M60 2AU

Auditor

Deloitte LLP
Statutory Auditor
London
United Kingdom

PIC Fyfield Limited

Strategic report

Business review and principal activities

The company acts as an investment holding company and provides management services to fellow group undertakings.

Results and future prospects

The results for the period are set out on page 9.

The directors consider the profit achieved on ordinary activities before taxation of £11.6m (2016: £5.2m) and the state of affairs of the Company to be satisfactory, given the economic climate. The directors remain confident about the company's future performances, which are further encouraged by the post year end performance of the group.

Activities

The principal activity of the Company is to continue as a holding company providing management services to fellow group undertakings.

- Profit before tax increased by £6.4m to £11.6m for the year ended 30 June 2017 (2016: £5.2m); and
- Net assets including pension assets decreased from £239.5m in 2016 to £202.9m in 2017.

Key performance indicators, risks and uncertainties

The directors consider the key performance indicator to be the carrying value of the investments. The investments have performed in line with expectation during the year. An assessment of impairment is undertaken where there are possible indicators of impairment, and on an annual basis.

The wider group are affected by the following risks to which all group entities including PIC Fyfield Limited bear an indirect risk. The group and company are subject to foreign exchange risk, interest risk and the risk of the underlying trading performance of its subsidiary undertakings.

These risks are managed by the Group's Corporate Treasury function which provides services to the Company, co-ordinates our access to domestic and international financial markets, and monitors and manages the financial risks relating to the Company's operations, through internal risk reports that analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

We seek to minimise the effects of these risks by hedging them using derivative financial instruments. Our use of financial derivatives is governed by policies approved by the Board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Board of directors regularly reviews our compliance with policies and exposure limits. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

PIC Fyfield limited is also exposed to the uncertainty related to the longterm effect of the Brexit vote. Like many businesses we have been impacted by the depreciation of the sterling, but it is our job to seize the opportunities ahead and prepare for all eventualities.

Product development and competitive edge

The key risk is the development programme fails to produce best genetics for customers and increased competition in the market reduces market share and margins.

We have dedicated teams within the Genus Group who align our product development to customer requirements, while our technical services help customers to make best use of our products. We frequently measure our performance against competitors in customers' systems to ensure the value added by our genetics remains competitive.

PIC Fyfield Limited

Strategic report (Continued)

Biosecurity and continuity of supply

The key risks are loss of key livestock, owing to disease outbreak; the loss of ability to move animals or semen freely (including across borders) due to disease outbreak, environmental incident or international trade sanctions; and the lower demand for our products due to industry wide disease outbreaks.

We have stringent biosecurity standards, with independent reviews throughout the year to ensure compliance. Within the Genus Group we continue to extend the geographical diversity of our production facilities, to avoid over-reliance on single sites.

Human Resources

The key risk is a failure to attract or retain skills and experience within our executive, management and employee cohorts.

We manage our talent risk through comprehensive people plans, covering recruitment, performance management, reward, succession planning, communication and engagement.

Going concern

The company's business activities are detailed above. Liquidity is managed at group level using long term group bank facilities.

Having considered the current uncertain economic environment as well as the group support available, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Approved by the Board and signed on its behalf by:



D. Noonan

Director

29 November 2017

PIC Fyfield Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2017.

Business review and principal activities

The company acts as an investment holding company and provides management services to fellow group undertakings.

Financial risk management and R&D activities have been discussed within the Strategic Report.

Results and dividends

The results for the period are set out on page 9.

The directors recommend the payment of a final dividend of £47m (2016: £nil). The directors did not recommend the payment of a dividend after year end 30 June 2017.

The directors who served on the board during the year and to the date of this report, are stated on page 1.

Financial risk management

Refer to the Strategic Report on Pages 2-3.

Future developments

The directors expect the general level of activity to remain consistent with 2017 in the forthcoming year. This is as a result of a similar level of activity expected during the year.

Directors' Indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

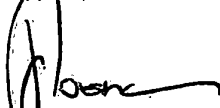
Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The financial statements are prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board.



P. Noonan
Director
29 November 2017

PIC Fyfield Limited

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

PIC Fyfield Limited

Independent auditor's report to the members of PIC Fyfield Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of PIC Fyfield Limited for the year ended 30 June 2017 which comprise as the Income Statement, the Statement of Comprehensive Income, the Balance Sheet and the Statement of Changes in Equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

PIC Fyfield Limited

Independent auditor's report to the members of PIC Fyfield Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report¹, 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 respect of these matters.

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: 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.

PIC Fyfield Limited

Independent auditor's report to the members of PIC Fyfield Limited (continued)

Report on other legal and regulatory requirements

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

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime.

We have nothing to report in respect of these matters.



Richard Howe FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

29 November 2017

PIC Fyfield Limited

Income Statement For the year ended 30 June 2017

	Notes	2017 £'000	2016 £'000
Turnover	2	167	232
Staff costs	4	(317)	(311)
Other operating income/ (expenses)		97	(37)
Release of unutilised property provision		19	-
Income from fixed asset investments		5,868	-
Operating profit / (loss)		<u>5,834</u>	<u>(116)</u>
Amounts written off investments		-	(455)
Net finance income	5	<u>5,759</u>	<u>5,752</u>
Profit on ordinary activities before taxation	3	11,593	5,181
Tax (charge)/credit on profit on ordinary activities	6	<u>(1,248)</u>	<u>340</u>
Profit for the financial year		<u>10,345</u>	<u>5,521</u>

Statement of comprehensive income For the year ended 30 June 2017

Profit for the financial year		10,345	5,521
<i>Items that may not be reclassified subsequently to profit or loss</i>			
Actuarial (loss)/gains relating to retirement benefits (gross)	11	(23)	60
Tax relating to components of other comprehensive income	6	<u>5</u>	<u>(12)</u>
Total comprehensive income for the financial year		<u>10,327</u>	<u>5,569</u>

All amounts derive from continuing operations.

PIC Fyfield Limited

Statement of changes in equity For the year ended 30 June 2017

	Called up share capital £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total equity £'000
At 1 July 2015	150,000	7,277	76,677	233,954
Actuarial gain on retirement benefit (net of tax)	-	-	48	48
Other comprehensive income for the year	-	-	48	48
Profit for the year	-	-	5,521	5,521
Total comprehensive income for the financial year	-	-	5,569	5,569
At 30 June 2016	150,000	7,277	82,246	239,523
Actuarial loss on retirement benefit (net of tax)	-	-	(18)	(18)
Other comprehensive income for the year	-	-	(18)	(18)
Profit for the year	-	-	10,345	10,345
Total comprehensive income for the financial year	-	-	10,327	10,327
Dividends	-	-	(47,000)	(47,000)
At 30 June 2017	150,000	7,277	45,573	202,850


PIC Fyfield Limited

Balance Sheet As at 30 June 2017

		2017 £'000	2016 £'000
	Notes		
Fixed assets			
Investment in group undertakings	7	290,684	322,572
Current assets			
Debtors	8	7,600	17,067
Cash at bank and in hand		68	89
		<u>7,668</u>	<u>17,156</u>
Creditors: amounts falling due within one year	10	<u>(88,772)</u>	<u>(94,131)</u>
Net current liabilities		<u>(81,104)</u>	<u>(76,975)</u>
Total assets less current liabilities being net assets		<u>209,580</u>	<u>245,597</u>
Creditors: amounts falling due after one year			
Amounts owed to subsidiary undertakings		(4,860)	(4,155)
Provisions for liabilities and charges	11	(1,870)	(1,919)
		<u>202,850</u>	<u>239,523</u>
Net assets excluding pension liabilities			
Pension liabilities	13	-	-
		<u>202,850</u>	<u>239,523</u>
Capital and reserves			
Called up share capital	12	150,000	150,000
Capital redemption reserve		7,277	7,277
Retained earnings		45,573	82,246
		<u>202,850</u>	<u>239,523</u>
Total shareholder's funds		<u>202,850</u>	<u>239,523</u>

These financial statements for PIC Fyfield Limited (company registration number 00019739) were approved by the Board of Directors and authorised for issue on 29 November 2017.

Signed on behalf of the Board of Directors


D. Noonan
Director

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

PIC Fyfield Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on pages 2 to 3.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

We have used the equity method to account for the Group's interest in joint ventures and associates.

The functional and presentational currency of PIC Fyfield Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

PIC Fyfield Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel, exposure to financial risks and financial assets and liabilities defined as financial instruments. The company is consolidated in the financial statements of its ultimate parent, Genus plc, as disclosed in Note 15.

Going concern

The company's business activities are detailed in the Strategic Report and Directors' Report. Having considered the current economic environment, and the letter of support received from the ultimate parent company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Consolidation

The Income Statement and Balance Sheet are those of the company. Consolidated financial statements have not been prepared as the company is a wholly owned subsidiary of Genus plc, a company incorporated in the United Kingdom (see note 15) whose consolidated financial statements can be obtained from www.genusplc.com. The company has taken advantage of the exemption from the requirement to produce consolidated financial statements in accordance with Section 400 of the Companies Act 2006.

Joint venture

Joint Ventures are stated at cost less any provision for impairment.

Turnover

Turnover comprises of management expenses charged to group undertakings, excluding VAT.

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment in value.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

PIC Fyfield Limited

Notes to the financial statements (Continued) **For the year ended 30 June 2017**

1. Accounting policies (continued)

Taxation (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

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.

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

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Pensions

The company is a member of the Dalgety Pension Fund (DPF), which is a funded defined benefit scheme providing benefits based on final pensionable salary. The amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Income Statement if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in Other Comprehensive Income.

PIC Fyfield Limited

Notes to the financial statements (Continued) **For the year ended 30 June 2017**

1. Accounting policies (continued)

Pensions continued

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the Balance Sheet. Pension assets are recognised to the extent to which a surplus is regarded as recoverable.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
- (b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

1. Accounting policies (continued)

Financial assets and liabilities continued

(d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Provisions

A provision is recognised when group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are discounted to present value.

Employee Benefits

The company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 6 months. The provision is measured at the salary cost payable for the period of absence.

Critical accounting judgements and key sources of estimation uncertainty

In the application of PIC Fyfield Limited accounting policies, which are described in this note, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Critical judgements in applying the Company's accounting policies

Defined benefit pension schemes

Amounts recorded in the Financial Statements in respect of defined benefit pension schemes are also based on significant estimates. Judgements required included the extent to which we should provide for any amounts that might become payable under our joint and several liability in respect of the Dalgety Pension Fund, and the extent of additional liability required under IFRIC 14.

PIC Fyfield Limited

Notes to the financial statements (Continued) **For the year ended 30 June 2017**

1. Accounting policies (continued)

Revenue recognition

Management services were carried out during the year to other group companies. These services were carried out throughout the whole year and were recognised in line with the Company's general policy of recognising revenue when goods are delivered/services provided.

In making its judgement, management considered the detailed criteria for the recognition of revenue from the sale of goods/provision of services set out in FRS 102 Section 23 *Revenue* and, in particular, whether the Group had transferred to the buyer the significant risks and rewards of ownership of the goods. The directors are satisfied that the significant risks and rewards have been transferred and that recognition of the revenue in the current year is appropriate.

Net finance costs

Interest income and interest payable in the Statement of Income and Retained Earnings are recognised as they accrue.

Key source of estimation uncertainty - impairment of Investments

Determining whether Investments are impaired requires an estimation of the value in use of the cash-generating units. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

PIC Fyfield Limited

Notes to the financial statements (Continued) **For the year ended 30 June 2017**

2. Turnover

All turnover originates in the United Kingdom and relates to charges for management services provided to fellow group undertakings. The split of turnover by geographic destination is as follows:

	2017	2016
	£'000	£'000
United Kingdom	<u>167</u>	<u>232</u>

3. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is calculated after charging:

	2017	2016
	£'000	£'000
Foreign exchange loss	218	930
Operating lease rentals	9	5
Auditor's remuneration – audit fees	<u>1</u>	<u>1</u>

4. Directors and employees

The average number of persons employed by the company during the year was two (2016: two).

The costs incurred in respect of these employees were:

	2017	2016
	£'000	£'000
Wages and salaries	264	259
Social security costs	32	32
Other pension cost	<u>21</u>	<u>20</u>
	<u>317</u>	<u>311</u>

The emoluments of the directors were as follows:

	2017	2016
	£'000	£'000
Wages and salaries	169	161
Pension costs	<u>15</u>	<u>15</u>
	<u>184</u>	<u>176</u>

The emoluments of the highest paid director were £184,000 (2016: £176,000) including pension costs of £15,000 (2016: £15,000).

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

4. Directors and employees (continued)

The remuneration of the other two directors (2016: two) has been borne by the ultimate parent company, Genus plc, in both the current and preceding period. The directors' emoluments for their services to the group are shown in the financial statements of Genus plc. The allocation for their qualifying services to the company is £nil (2016: £nil).

The company has certain obligations in relation to unfunded pension obligations of former directors of the company. Details regarding the provision made are disclosed in note 11. A total of £50,000 (2016: £50,000) was paid to former directors under this scheme during the period.

There are no directors for whom retirement benefits are accruing under the Dalgety Pension Fund (2016: £nil).

5. Net finance income

	2017 £'000	2016 £'000
Interest payable and similar charges:		
Foreign exchange losses on third party and intra group balances	(218)	(930)
Interest payable to group undertakings	(104)	(96)
Interest receivable and similar income:		
Interest receivable by group undertakings	6,141	6,858
Other finance charges:		
Unwind discount on provisions (see note 11)	(60)	(80)
Net finance income	<u>5,759</u>	<u>5,752</u>

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

6. Tax (charge)/credit on profit on ordinary activities

	2017 £'000	2016 £'000
UK corporation tax	(1,019)	58
Adjustments in respect of prior periods	(164)	422
Current tax (charge)/credit on profit for the year	(1,183)	480
Deferred taxation:		
Origination and reversal of timing differences in the year	(57)	(11)
Prior year adjustment	16	(69)
Effect of change in tax rate	(24)	(60)
Total deferred tax	(65)	(140)
Total tax (charge)/credit on ordinary activities for the year	(1,248)	340
Total current and deferred tax relating to items of other comprehensive income	5	(12)
	(1,243)	328

Factors affecting tax credit for the year

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2017 £'000	2016 £'000
Profit on ordinary activities before taxation	11,593	5,181
Tax on profit on ordinary activities at standard UK corporation tax rate at 19.75% (2016: 20.00%) on profit on ordinary activities	2,290	1,036
Effects of:		
- Non deductible expenses	(10)	90
- Non taxable income received	(1,160)	-
- Adjustment in respect of prior year	148	(352)
- Change in rate of tax	24	60
- Debt cap exemption	(44)	(1,174)
Total tax charge/(credit) on ordinary activities for the year	1,248	(340)

The tax rate for the year was 19.75% (2016: 20.00%) due to the reduction in the main rate of corporation tax from 20% to 19% enacted on 31 March 2017. No unwinding of the deferred tax balance is expected in the following financial year.

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

7. Fixed asset investments

	Equity £'000	Loans £'000	Total £'000
Cost			
At 1 July 2016	245,961	207,789	453,750
Return of capital	(7,495)	-	(7,495)
Repayment of loans	-	(24,393)	(24,393)
At 30 June 2017	238,466	183,396	421,862
Impairments			
At 1 July 2016	131,178	-	131,178
At 30 June 2017	131,178	-	131,178
At 30 June 2017	107,288	183,396	290,684
At 30 June 2016	114,783	207,789	322,572

The company holds a 50% joint venture investment in HY-CO Hybridschweine-Cooperations GmbH with closing net assets £0.1m (2016: £0.1m) and a profit in the period of £0.2m (2016: £0.1m).

The company's direct subsidiaries and associates at 30 June 2017 were as follows:

Name of undertaking – Pig breeding business	Registered Address	Country of incorporation	Direct/Indirect Group interest	% of share capital/voting rights held by Group companies
Agricola PIC Andina Limitada	Autopista Los Libertadores Km39.5, Chacabuco, Colina, Santiago, Chile	Chile	Indirect	100%
Hermitage Genetics Designated Activity Company	Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland	Ireland	Indirect	100%
HY-CO Hybridschweine-Cooperations GmbH	Tegelberg 19 - 21, 24576 Bad Bramstedt, Germany	Germany	Indirect	50%*
Genus China Limited Company	Office 1106, Ramada Plaza, 509 Caobao Road, Xuhui District, Shanghai, 200233, China	China	Direct	100%
Morganite Investments Limited	Riverside One, Sir John Rogerson's Quay, Dublin 2, Ireland	Ireland	Indirect	100%
PIC Andina S.A.	Avenida del Parque #4161 office #601, Huechuraba, Santiago, Chile	Chile	Indirect	100%
PIC Andina Venezuela S.A.	Avenida De La Urbanización San Jacinto, Residencias Ambar 1,	Venezuela	Indirect	100%

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

	Apto. E-2-A, Maracay, Estado Aragua, Venezuela, Bolivarian Republic of			
PIC France SA	69 Chemin des Molieres, 69210, Lentilly, France	France	Indirect	100%
PIC Genetics LLC	79 Narodnyy Boulevard, 308000, Belgorod, Russian Federation	Russia	Indirect	100%
PIC Italia S.r.l.	Strada dei Loggi 22, 06135, Ponte San Giovanni, Perugia, Italy	Italy	Indirect	50%
PIC Philippines, Inc.	Unit 2101/2102, 21st Floor Jollibee Plaza, F. Ortigas, Jr. Rd., Ortigas Center, Pasig City, 1605, Philippines	Philippines	Indirect	99.9%*
PIC Polska Sp. z o.o.	ul. Gwiazdzista 7 lok.2, 01 - 651, Warszawa, Poland	Poland	Indirect	100%
PIC Romania S.R.L.	PIC Romania SRL, 8, Caimatei Street, Sector 2, Bucharest, Romania	Romania	Indirect	100%
PIC (Zhangjiagang) Pig Improvement Co., Ltd.	Office 1210, International Finance Tower, 20 Jingang Road, Zhangjiagang Bonded Zone, Zhangjiagang City, Jiangsu Province, China	China	Indirect	100%
PIG Datendienst GmbH	Ratsteich 31, 24837 Schleswig, Germany	Germany	Indirect	50%*
PIG Improvement Company Deutschland GmbH	Jathostraße 11a, D-30163 Hannover, Germany	Germany	Indirect	100%
Pig Improvement Company España, S.A.	C/Pau Vila, 22 2º puerta 6, 08174 Sant Cugat del Valles, Barcelona, Spain	Spain	Direct	100%
Pig Improvement Company UK Limited	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Direct	100%
Pigtales Limited	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Direct	100%
Reprodutores PIC, Lda	Avenida General Norton De Matos, 59A 1ºA/B, Miraflores, Oeiras, 1495- 148 Alges, Portugal	Portugal	Indirect	100%
Shaanxi PIC Pig Improvement Co., Ltd.	Room 2008, Unit 1, Building 1, Block Saigao, Weiyang Road, Xi'an Economic and Technological Development Zone, Xi'an City, Shaanxi Province, China	China	Indirect	100%
Xianyang Yongxiang Agriculture Technology Co., Ltd.	Qiaojiaguan Village, Jianjun Town Yongshou County, Xianyang	China	Indirect	49%*

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

	Shaanxi Province, China			
Agence Spillers N.V.	Place Saint-Lambert 14, 1200 Woluwe- Saint-Lambert	Belgium	Indirect	100%
Bellapais Farm Limited	Julia House, 3 Th Dervis Street, Nicosia, Ch 1066, Cyprus	Cyprus	Indirect	34.1%*
Bellapais Hatcheries Limited	Julia House, 3 Th Dervis Street, Nicosia, Ch 1066, Cyprus	Cyprus	Indirect	34.1%*
Brazilian Holdings Limited	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Direct	100%
DalcoExportadora Ltda.	Rua Branco de Moraes, No. 84, cj.06, Chacara Santo Antonio, Sao Paulo-SP, 04718-010, Brazil	Brazil	Indirect	100%
Dalgety Pension Trust Limited	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Direct	100%
Fyfield (SM) Limited	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Indirect	100%
Fyfield Dormant	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Indirect	100%
Fyfield Holland B.V.	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	Netherlands	Direct	100%
Fyfield Ireland Limited		Ireland	Indirect	100%
National Pig Development Company Limited	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Indirect	100%
PIC (UK) Limited	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Direct	100%
PIC Benelux B.V.	Saffierborch 18, 5241 LN Rosmaien, Netherlands	Netherlands	Indirect	100%
Pig Improvement Company Far East Limited	C/O Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong	China	Indirect	100%
Pig Improvement Company Overseas Limited	Matrix House, Basing View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	United Kingdom	Direct	100%
Spillers Limited	Matrix House, Basing	UK	Direct	100%

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

	View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom Matrix House, Basing			
Spillers Overseas Limited	View, Basingstoke, Hampshire, RG21 4DZ, United Kingdom	UK	Indirect	100%
Spratts GmbH	Ratsteich 31, 24837 Schleswig, Germany	Germany	Indirect	100%
SyAqua Mexico S. de R.L. de C.V.	Av Camaron Sabalo No 310, Local 25 y 26 Zona Dorada, Mazatlan, Sinaloa, Mexico	Mexico	Indirect	100%
Sygen Investimentos Ltda.	Rua Branco de Morais, No. 84, cj.06, Chacara Santo Antonio, Sao Paulo-SP, 04718-010, Brazil	Brazil	Direct	100%
Usicafé SA	c/o Cabinet Mayor, avocats, Rue Jean-Gabriel Eynard 6, 1205 Genève	Switzerland	Indirect	100%

In the opinion of the directors the aggregate value of the investments in the company's subsidiaries is not less than the aggregate amount at which those assets are stated in the Balance Sheet. All are wholly owned and incorporated and operate in the UK, unless otherwise indicated.

*All types of shares held in investments are ordinary share capital.

During the year the company received interest of £6,141k (2016: £6,858k) from Genus plc.

8. Debtors

Amounts falling due within one year:

	2017 £'000	2016 £'000
Amounts owed by subsidiary undertakings	7,080	16,306
Other debtors	39	218
Deferred tax asset (note 9)	481	543
	<u>7,600</u>	<u>17,067</u>

9. Deferred tax

The company's deferred tax position may be analysed as follows:

	Deferred tax asset recognised in accounts	
	2017 £'000	2016 £'000
Included in debtors (note 8)	<u>481</u>	<u>543</u>

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

Movement on deferred tax

	Total £'000
Opening deferred tax asset	543
Opening balance adjustment	(2)
Current year charge to the Income Statement	(81)
Prior year adjustment	16
Movement in statement of recognised gains and losses	5
Closing deferred tax asset	<u>481</u>

	2017 £'000	2016 £'000
Difference between capital allowances and depreciation	8	10
Other timing differences	<u>473</u>	<u>533</u>
	<u>481</u>	<u>543</u>

The closing deferred tax asset at 30 June 2017 has been calculated at 17% reflecting the tax rate at which the deferred tax asset is expected to be utilised in future periods.

10. Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Trade creditors	21	23
Amounts owed to subsidiary undertakings	86,797	93,078
Other creditors	23	19
Other taxation and social security	-	1
Corporation tax	1,653	576
Accruals and deferred income	<u>278</u>	<u>434</u>
	<u>88,772</u>	<u>94,131</u>

During the year PIC Fyfield Limited was charged loan interest of £35,655 (2016: £36,210) by Pig Improvement Company España, S.A. and £68,030 (2016: £59,755) by Genus Australia Pty Ltd. The amounts owed to group undertakings have no fixed repayment date, and charge interest rate varying between 0% and 5%. The holiday pay accrual represents holiday balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The accrual is measured as the salary cost payable for the period of absence.

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

11. Provisions for liabilities and charges

	Other pensions £'000	Surplus properties £'000	Other restructuring provisions £'000	Total £'000
At 1 July 2016	960	19	940	1,919
Utilised in the year	(50)	(19)	(63)	(132)
Actuarial loss/(gain):				
In other comprehensive income statement	40	-	(17)	23
Unwinding of discount on provisions	30	-	30	60
At 30 June 2017	980	-	890	1,870

Other pensions comprise unfunded pension obligations to current and former executives of the company calculated on the transfer value method. Payments will be made upon retirement of the relevant executives.

The surplus property provision represents the discounted future costs of properties not occupied by the group. These costs are computed net of risk weighted rental income and, where necessary, dilapidation and letting expenses and will be paid out over the next year. Leases and sub lease have all now ceased and the remaining provision represents anticipated legal fees which are disclosed as a current liability.

Other restructuring provisions relate to post retirement health benefit obligations to former Dalgety plc head office staff.

Non-current provision £1,870k (2016: £1,900k), current provision £nil (2016: £19k), total provisions £1,870k (2016: £1,919k).

12. Called up share capital

	2017 £'000	2016 £'000
Allotted and fully paid		
150,000,000 ordinary shares of £1 each as at 30 June	150,000	150,000

The company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses, including actuarial gains/losses on retirement benefits, net of dividends paid and other adjustments.

During the current year, the directors recommended and paid a dividend of £0.31 per ordinary share (£47,000,000).

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

13. Employee Benefits

The company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit or loss in the period ended 30 June 2017 was £21,345 (2016: £20,353).

Defined Benefit scheme

The most recent actuarial valuation of the Dalgety Pension Fund was at 31 March 2015 and carried out by qualified actuaries.

The principal actuarial assumptions adopted in the 2015 valuation were that investment returns on existing assets would be 4.1% per annum before retirement and 2.2% per annum after retirement and that the annual increase in pensions in payment would be 3.3% per annum.

The market value of the available assets at 31 March 2015 was £31.6m. The value of those assets represents approximately 101% of the value of the uninsured liabilities, which were £31.3m at 31 March 2015. Under the funding agreement, the Company will not have to make deficit repair contributions.

The disclosures required under FRS 102 have been calculated by an independent actuary based on accurate calculations carried out as at 31 March 2015 and updated for changes in financial assumptions to 30 June 2016.

As at 30 June 2017 the DPF was in an overall net pension asset position of £6.5m. However the Company does not have the unilateral right to this surplus furthermore cannot reduce contributions or organise a refund and therefore in line with IFRIC 14 the recognition of this asset is restricted.

The trustees of the DPF hold an £18.7m reserve against future unknown liabilities materialising. As the economic benefit to Genus of this amount is not certain, it is treated as a contingent asset.

In addition to the aggregate assets and liabilities disclosed, a bulk annuity policy was secured with an insurance company in July 1999, which matched the benefit entitlement of the almost all of the fund's current and deferred pension liabilities at that time. The value of these policies and related liabilities at 30 June 2017 was £708m (2016: £703m).

The financial assumptions used to calculate the scheme liabilities are:

	2017	2016	2015
Liability discount rate	2.65%	2.80%	3.80%
Inflation assumption	2.05%	1.60%	2.00%

The mortality assumptions used are consistent with those recommended by the schemes' actuaries and reflect the latest available tables, adjusted for the experience of the scheme where appropriate. For 2017, the mortality tables used are 97% of the SN2A tables, with birth year and 2014 CMI projections, subject to a long-term rate of improvement of 1.25% for males and females (2016: the mortality tables used are 97% of the SN2A tables, with birth year and 2014 CMI projections, subject to a long-term rate of improvement of 1.25% for males and females).

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

13. Employee Benefits (continued)

The following table shows the assumptions used for all schemes and illustrates the expectation of life of an average member retiring at age 65 at the balance sheet date and a member reaching age 65 in 20 years' time.

		2017 (years)	2016 (years)
Retiring at balance sheet date at age 65:	Male	23.0	22.9
	Female	25.2	25.1
Retiring at age 65 in 20 years' time:	Male	24.7	24.6
	Female	27.0	26.9

The assets in the scheme and the expected rate of return were:

	Value at 30 June 2017 £'000	Value at 30 June 2016 £'000	Value at 30 June 2015 £'000
Equities	-	10,210	11,020
Bonds	-	17,360	17,540
Diversified growth funds	17,840	-	-
Other assets	12,050	10	60
Total assets	29,890	27,580	28,620

	2017 £'000	2016 £'000	2015 £'000	2014 £'000	2013 £'000
Balance sheet reconciliation					
Total market value of assets	29,890	27,580	28,620	25,180	21,280
Present value of scheme liabilities	(23,390)	(20,770)	(22,450)	(20,220)	(17,400)
Irrecoverable surplus not recognised	(6,500)	(6,810)	(6,170)	(4,960)	(3,880)
Deficit in the scheme	-	-	-	-	-
Related deferred tax asset	-	-	-	-	-
Net pension liability	-	-	-	-	-

An analysis of the amount that has been charged to operating profit is as follows:

	2017 £'000	2016 £'000
Current service cost	-	-

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

13. Employee Benefits (continued)

An analysis of the amount that has been credited to net finance income is as follows:

	2017 £'000	2016 £'000
Expected return on pension scheme assets	570	760
Interest on pension scheme liabilities	(570)	(760)
Net return	-	-

Amounts recognised in the statement of Comprehensive Income:

	2017 £'000	2016 £'000
Actual return less expected return on pension scheme assets	2,480	1,960
Experience gains and losses arising on the scheme liabilities	(2,790)	(1,320)
Actuarial gain recognised in the Statement Comprehensive Income	(310)	640

Movements in scheme during the year:

	2017 £'000	2016 £'000
Deficit in scheme at start of year	-	-
Movement in year:		
Actuarial gain	(310)	640
Irrecoverable surplus	310	(640)
Deficit in scheme at end of year	-	-

History of experience gains and losses:	2017	2016	2015	2014	2013
Difference between the expected and actual return on scheme assets £'000s:	2,790	1,320	2,800	1,470	840
Percentage of the scheme assets	9.3%	4.8%	9.8%	5.8%	3.9%
Experience gains and losses arising on the scheme liabilities £'000s:	(2,790)	(1,320)	(1,590)	(820)	(2,520)
Percentage of the present value of the scheme liabilities	(11.9%)	(6.4)%	(7.1)%	(4.1)%	(14.5)%
Total actuarial amount recognised in the statement of total recognised gains and losses £'000s:	0	0	39	(428)	780
Percentage of the present value of the scheme liabilities	0.0%	0.0%	0.2%	2.1%	4.5%

PIC Fyfield Limited

Notes to the financial statements (Continued) For the year ended 30 June 2017

14. Financial commitments

At 30 June 2017 the company had the following total future minimum lease payments under non-cancellable operating leases which expire:

	2017 £'000	2016 £'000
Within one year	9	9
Between one and five years	9	9
	<u>9</u>	<u>18</u>

15. Ultimate parent undertaking

The company's parent undertaking and ultimate controlling party is Genus plc, a company which is incorporated in the United Kingdom and registered in England and Wales. Genus plc is the largest and smallest group, of which the company is a member, for which financial statements are prepared. Copies of the financial statements of Genus plc are available to the public from its registered office whose address is as follows:

Matrix House
Basing View
Basingstoke
Hampshire
RG 21 4DZ

The company is also exempt under the terms of FRS 102 from disclosing related party transactions with entities that are wholly owned subsidiaries by the Genus Plc group of companies.

16. Contingent liabilities

The company has entered into cross guarantees to the group's bank in respect of the borrowings of its parent. At 30 June 2017 the total contingent liability in respect of group borrowings was £130.3m (2016: £93.9m).

17. Events after balance sheet date

There have been no significant events subsequent to the year ended 30 June 2017 requiring adjustment or additional disclosure to these financial statements.