

Northern Butchers' Hide & Skin Company Limited

Financial statements

For the year ended 31 December 2013



Company No. 26804

Company information

Company registration number

26804

Registered office

Stockwood House
Woodhouse Farm
Rufforth
York
YO23 3QA

Directors

E W Swiers (Chairman and Managing Director)
G D Greer (Company Secretary)
P J Barker
J Torrents
A Traves
J Vilarrasa

Secretary

G D Greer

Bankers

National Westminster Bank PLC
Commercial Banking
8 Market Place
Huddersfield
HD1 2AN

Solicitors

Pinsent Masons LLP
1 Park Row
Leeds
LS1 5AB

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Notice of meeting

Notice is hereby given that the one hundred and twenty-fifth Annual General Meeting of the company will be held at the Registered Office on the 9th day of September 2014 at 11am to consider and, if thought fit, pass the following resolutions of which resolutions numbers 1 to 4 will be proposed as ordinary resolutions and resolutions 5 to 8 as special resolutions:

1. To receive and adopt the financial statements for the year ended 31 December 2013 with the directors' report thereon.
2. To re-elect two directors.
3. To fix the directors' fees for 2014.
4. To fix a fair value of shares pursuant to article 4.01 of the Articles of Association of the company.

12 August 2014
Stockwood House,
Woodhouse Farm
Rufforth
York
YO23 3QA

By Order of the Board



G D Greer
Company Secretary

Note: A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. Such proxy need not be a member of the company.

Shareholders should notify the Company Secretary at once of any change or error in their address.

Chairman's statement

As you know the remaining focus of your directors' efforts is in realising the site in Ossett on which the Nettletons & Porters fellmongery once operated. We own that company 40%:60% with the Spanish Colomer group and we have both been working on selling the site. We had already obtained planning permission for the construction of a new entrance that would reduce traffic movements from the site directly onto the main road. You may recall that in my report to you just over a year ago I was able to say that we had reached the final stages of agreeing a sale for the Nettletons site. Unfortunately the prospective buyer pulled out after we had instructed solicitors, so we had to put the site back onto what has remained a very slow market.

I am pleased to report to you now that we have eventually secured a new purchaser with whom we exchanged contracts last month. The sale is subject to planning permission for a commercial development of the site. As we ourselves tested the planning situation successfully with an outline permission application last year, we are hopeful that this will be granted. If so we expect completion of the sale to be in October this year. The sale does not include the two houses Nettletons owns; we plan to put them on the market once the sale of the site is completed. We anticipate that the overall sale proceeds will not be significantly different from the value Nettletons were carrying them in their balance sheet. However for the sake of prudence the directors of Nettletons decided to write their land and buildings down to £600,000 in their last balance sheet. Our share of the write-down was £24,182 which left our total share of Nettletons' loss after tax for 2013 at £21,873 rather than it being a small surplus.

Our own net costs were £14,965 which were similar to 2012 despite 2013 including over £3,000 of legal advice and advertising costs relating to the buying in of shares from shareholders with whom we had lost touch. This action was agreed at last year's AGM as were other resolutions to convert most of the company's share capital and all its other reserves into distributable reserves. This was all to enable us to pay a further dividend to you once Nettletons' properties have all been sold. In the meantime your directors still consider it would be inappropriate to buy in other shares.

ERIC SWIERS
Chairman
12 August 2014

Report of the directors

The directors present their report and the financial statements of the group for the year ended 31 December 2013.

Principal activity and business review

The group profit and loss account is set out on page 8. The principal trading subsidiary ceased to collect hides and skins for processing in October 2005 and has now largely completed the process of realising its assets and liabilities. The company continues with its investment in Nettletons & Porters Limited, who were engaged in fellmongering including the collection of raw materials for processing until they ceased these activities at the end of March 2012 and are in the process of realising their assets and liabilities. The level of business, developments during the year and the year-end financial position are considered in the Chairman's Statement on page 5.

Results and dividends

The trading results for the year and the group's financial position at the end of the year are shown in the attached financial statements. The loss for the financial year of £36,821 (2012: £198,499) will be transferred to the group's reserves. The directors paid an interim dividend of £1.00 per ordinary share on 17 December 2012 in respect of the year ended 31 December 2012 but do not recommend the payment of a final dividend in respect of that year or a dividend in respect of the year ended 31 December 2013.

Directors

The present membership of the Board, all of whom served throughout the year, is set out below:

E W Swiers
G D Greer
P J Barker
J Torrents
A Traves
J Vilarrasa

In accordance with the Articles of Association, E W Swiers and J Torrents retire by rotation and, being eligible, offer themselves for re-election.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD



G D Greer
Secretary
12 August 2014

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards as modified by the revaluation of investments in group companies.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary undertaking. Intra-group sales and profits are eliminated on consolidation and all sales and profit figures relate to external transactions only.

Associated undertaking

The group's share of profits less losses of the associated undertaking is included in the consolidated profit and loss account and the group's share of the underlying net assets in the consolidated balance sheet. These amounts are taken from the latest unaudited management accounts of the company concerned, which are made up to a date co-terminous with all other group companies.

Turnover

The turnover shown in the group profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Taxation

The charge for taxation is based on the results for the year as adjusted for disallowable items and other permanent differences. Deferred tax is recognised on all timing differences where the transactions or events give the group an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Group profit and loss account

	Note	2013 £	2012 £
Group turnover including associate		-	930,176
Share of turnover of associate - discontinued operations		-	(930,176)
Turnover - discontinued operations		-	-
Net operating costs - discontinued operations	1	(15,827)	(15,680)
Operating loss - discontinued operations		(15,827)	(15,680)
Share of loss of associated undertaking	7	(26,317)	(188,880)
Loss before interest		(42,144)	(204,560)
Interest receivable		862	1,013
Loss on ordinary activities before taxation		(41,282)	(203,547)
Tax on loss on ordinary activities	4	4,444	5,040
Loss on ordinary activities after taxation		(36,838)	(198,507)
Loss attributable to minority interests		17	8
Loss for the year attributable to shareholders	11	(36,821)	(198,499)

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own profit and loss account.

The accompanying accounting policies and notes form part of these financial statements.

Group balance sheet

	Note	2013 £	2012 £
Fixed assets			
Interest in associated undertaking	7	<u>349,688</u>	<u>371,561</u>
Current assets - Cash at bank and in hand		<u>84,809</u>	<u>148,902</u>
		<u>84,809</u>	<u>148,902</u>
Creditors: amounts falling due within one year	8	<u>(41,651)</u>	<u>(27,631)</u>
Net current assets		<u>43,158</u>	<u>121,271</u>
		<u>392,846</u>	<u>492,832</u>
Capital and reserves			
Called up share capital	10	<u>2,848</u>	<u>292,933</u>
Share premium account	11	-	<u>77,864</u>
Capital redemption reserve	11	-	<u>70,711</u>
Revaluation reserve	11	-	<u>341</u>
Profit and loss account	11	<u>380,419</u>	<u>(13,613)</u>
Shareholders' funds		<u>383,267</u>	<u>428,236</u>
Minority interests		<u>9,579</u>	<u>64,596</u>
		<u>392,846</u>	<u>492,832</u>

For the year ended 31 December 2013 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for ensuring that:

- (i) members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006,
- (ii) they comply with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts, and
- (iii) these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors and authorised for issue on 12 August 2014 and are signed on their behalf by:

E W Swiers



Director

Company balance sheet

	Note	2013 £	2012 £
Fixed assets			
Shares in group companies	12	38,319	258,386
Shares in associated undertaking	7	349,688	371,561
		<u>388,007</u>	<u>629,947</u>
Current assets - Cash at bank and in hand		36,161	10,170
Creditors: amounts falling due within one year	8	(40,901)	(211,881)
Net current liabilities		(4,740)	(201,711)
		<u>383,267</u>	<u>428,236</u>
Capital and reserves			
Called-up share capital	10	2,848	292,933
Share premium account	11	-	77,864
Capital redemption reserve	11	-	70,711
Profit and loss account	11	380,419	(13,272)
Shareholders' funds		383,267	428,236

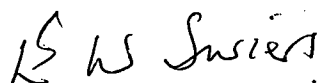
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These financial statements were approved by the directors and authorised for issue on 12 August 2014 and are signed on their behalf by:

E W Swiers



Director

Notes to the financial statements

1 Net operating costs

Net operating costs are made up as follows:

	2013	2012
	£	£
Staff costs (see note 2)	9,331	11,150
Other operating charges	6,496	4,530
	<u>15,827</u>	<u>15,680</u>

2 Particulars of employees

The average number of persons, including executive directors, employed by the group during the financial year was nil (2012: nil).

The aggregate payroll costs of the group during the year were:

	2013	2012
	£	£
Directors' remuneration	<u>9,331</u>	<u>11,150</u>

3 Directors

Emoluments of the directors of the company, including pension contributions, were £9,331 (2012: £11,150).

During the year, no directors (2012: nil) participated in pension schemes.

4 Tax on loss on ordinary activities

	2013	2012
	£	£
Share of associated undertaking's tax credit	<u>(4,444)</u>	<u>(5,040)</u>

The group has unrelieved tax losses of £213,000 (2012: £199,000) which are available to be set against future taxable trading profits.

5 Profits/(losses) attributable to the parent company

Losses attributable to shareholders of £36,821 (2012: profit 139,582) have been dealt with in the financial statements of Northern Butchers' Hide & Skin Company Limited. The company has taken advantage of the legal dispensation allowing it not to publish a separate profit and loss account.

Notes to the financial statements (continued)

6 Dividends

The directors paid an interim dividend of £292,933, representing £1.00 per ordinary share, on 17 December 2012 in respect of the year ended 31 December 2012. They do not recommend the payment of a final dividend in respect of that year or a dividend in respect of the year ended 31 December 2013.

7 Interest in associated undertaking

This item comprises a holding of 40% of the issued ordinary share capital of Nettletons & Porters Limited, an unlisted company registered in England and Wales, whose principal activity until the end of March 2012 was that of fellmongers and wool merchants, after which date the company ceased to trade other than realising its assets and liabilities. The other shares are held by Colomer Hides and Skins Holdings SA, a subsidiary company of Colomer Leather Group S.L.. In the company's balance sheet at 31 December 2013 the net cost of the investment in the associated undertaking of £597,320 has been written down to reflect the group's share of the net assets of the associated undertaking by £247,632 to £349,688 (2012: £371,561).

The share of the associated undertaking's loss before taxation was £2,135 (2012: loss £188,880), which after a tax credit of £4,444 (2012: £5,040) and a write-down of associated undertaking's tangible fixed assets of £24,182 (2012: £nil) left a loss of £21,873 (2012: loss £183,840). Dividends of £nil (2012: £380,000) were paid during the year. These figures are based on the unaudited management accounts of Nettletons & Porters Limited for the year ended 31 December 2013.

The results of the associated undertaking were:

	2013 £	2012 £
Turnover	-	2,325,439
Loss before taxation	(5,338)	(472,201)

The principal assets and liabilities of the associated undertaking were:

Tangible fixed assets	600,000	661,894
Stocks	-	-
Cash at bank	266,939	269,726
Other current assets	27,550	14,493
	<u>894,489</u>	<u>946,113</u>
Current liabilities – creditors and accruals	20,269	17,210
	<u>874,220</u>	<u>928,903</u>

Notes to the financial statements (continued)

8 Creditors: amounts falling due within one year

	2013	The group	2013	The company
	£	2012	£	2012
		£		£
Amounts owed to subsidiary company	-	-	-	185,000
Accruals and deferred income	41,651	27,631	40,901	26,881
	<u>41,651</u>	<u>27,631</u>	<u>40,901</u>	<u>211,881</u>

9 Deferred taxation

The group had no provision for deferred taxation at 31 December 2013 (2012: £nil).

A deferred tax asset of £42,600 (2012: £39,800) in respect of excess management expenses has not been recognised in the financial statements on the basis that there is insufficient evidence that the asset will be recoverable in the foreseeable future. The deferred asset is recoverable if sufficient taxable profits exist, from which reversal of the deferred tax asset can be deducted.

10 Share capital

	2013	2012
	£	£
Authorised:		
400,000 Ordinary shares of 1p each (2012: £1 each)	<u>4,000</u>	<u>400,000</u>
	2013	2012
	£	£
Allotted, called up and fully paid:		
284,785 Ordinary shares of 1p each (2012: 292,933 of £1 each)	<u>2,848</u>	<u>292,933</u>

On 11 June 2013 the company bought back and cancelled 8,148 ordinary shares of £1 each at par in accordance with the resolution passed by the shareholders on the same day.

On 11 June 2013 the shareholders also agreed that the share capital should be reduced by reducing the nominal value of each ordinary share from £1.00 to 1p.

Notes to the financial statements (continued)

11 Reserves

Group	Share premium account £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2013	77,864	70,711	341	(13,613)	135,303
Loss for the year	-	-	-	(36,821)	(36,821)
Purchase of own shares	-	8,148	-	(8,148)	-
Capital reconstruction	(77,864)	(78,859)	-	438,660	281,937
Transfer arising from adjustment to carrying value of associated undertaking	-	-	(341)	341	-
At 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>380,419</u>	<u>380,419</u>
Company					
At 1 January 2013	77,864	70,711	-	(13,272)	135,303
Profit for the year	-	-	-	205,119	205,119
Purchase of own shares	-	8,148	-	(8,148)	-
Capital reconstruction	(77,864)	(78,859)	-	438,660	281,937
Adjustments to carrying value of associated and subsidiary undertakings	-	-	-	(241,940)	(241,940)
At 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>380,419</u>	<u>380,419</u>

On 11 June 2013 at the company's AGM the shareholders agreed that the share premium account and the capital redemption reserve fund should be cancelled.

As noted on page 13, on the same date the shareholders agreed that the share capital of the company should be reduced by reducing the nominal value of each share from £1 to 1p, as a result of which the difference in nominal value of £281,937 was transferred to the profit and loss account reserve.

The cumulative amount of goodwill arising from acquisitions which has been written off before arriving at the above figures is £61,593 (2012: £61,593).

12 Shares in group companies

This is represented by the cost or valuation of the investment in shares of subsidiary companies less amounts written off. At 31 December 2013 the company owned 80% of the issued share capital of Northern Butchers Hide Markets Limited, registered in England and Wales, which did not trade during the year. The investment in Northern Butchers Hide Markets Limited has been written down in the year by £220,067 (2012: £29) to reflect the group's share of the net assets of the subsidiary.

Notes to the financial statements (continued)

13 Capital commitments

At the year end no capital expenditure had been contracted for (2012: nil).

14 Contingent liabilities

There were no contingent liabilities at 31 December 2013 (2012: nil).