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# **Northern Butchers' Hide & Skin Company Limited**

Financial statements

For the year ended 31 December 2014

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**Company No. 26804**

## Company information

<b>Company registration number</b>	26804
<b>Registered office</b>	Stockwood House Woodhouse Farm Rufforth York YO23 3QA
<b>Directors</b>	E W Swiers (Chairman and Managing Director) G D Greer (Company Secretary) P J Barker J Torrents A Traves J Vilarrasa
<b>Secretary</b>	G D Greer
<b>Bankers</b>	National Westminster Bank PLC Commercial Banking 8 Market Place Huddersfield HD1 2AN
<b>Solicitors</b>	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-sixth Annual General Meeting of the company will be held at the Registered Office on the 22nd day of September 2015 at 4pm to consider and, if thought fit, pass the following ordinary resolutions:

1. To receive and adopt the financial statements for the year ended 31 December 2014 with the directors' report thereon.
2. To re-elect two directors.
3. To fix the directors' fees for 2015.
4. To fix a fair value of shares pursuant to article 4.01 of the Articles of Association of the company.

19 August 2015  
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 various property assets in Ossett owned by Nettletons & Porters Limited. We hold 40% of the shares in that company (which once operated as a fellmongery) and the Spanish Colomer group holds the remaining shares. You may recall that in my report to you a year ago I was able to say that we had exchanged contracts on a sale for the Nettletons factory site. Planning permission was duly granted as anticipated and completion took place last November. Northern Butchers received a dividend on its shares in Nettletons which enabled us to pay a dividend to you of £1.00 per ordinary share on 24 November 2014. That made an aggregate total of £2.25 per ordinary share which we have paid out since we began the process of realising the assets of Nettletons & Porters Limited.

The sale did not include the two houses Nettletons owns, so these were put on the market once the sale of the site was completed. There has been a good amount of interest in the houses and a few offers. Most of these have fallen through for various reasons, including problems buyers have had in obtaining mortgages. This is something which is inhibiting the entire housing market at present as you will know from the press. However I am pleased to report that we completed the sale of the larger house at the end of last month. The smaller house had to be put back on the market around the same time as a sale fell through at the last minute. You will appreciate how frustrating all this can be, but please be assured that your directors are putting a lot of effort into achieving a satisfactory sale. We anticipate that the overall sale proceeds of its properties will exceed the value Nettletons are carrying them in their balance sheet.

You will see from the profit and loss account on page 8 that our group loss attributable to shareholders for 2014 was £12,527 compared with £36,821 in 2013. This was achieved thanks to lower costs and a reduced loss in Nettletons.

Once the sale of the two houses is completed by Nettletons, we anticipate bringing forward resolutions to place the group companies into members' voluntary liquidations. This should be on a solvent basis which will allow the liquidators to make a final distribution to you. You will receive appropriate notifications in due course. In the meantime your directors still consider it would be inappropriate to buy in any shares.

It seems as though the last chapters are being written in the long and eventful history of Northern Butchers. I know many of you can trace back your family connections with us for several generations. Please continue to bear with us as we work to finalise matters.

E W Swiers  
Chairman  
19 August 2015

## Report of the directors

The directors present their report and the financial statements of the group for the year ended 31 December 2014.

### **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 £12,527 (2013: £36,821) will be transferred to the group's reserves. The directors paid an interim dividend of £1.00 per ordinary share on 24 November 2014 in respect of the year ended 31 December 2014 but do not recommend the payment of a final dividend in respect of that year.

### **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, P J Barker and J Vilarrasa 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  
19 August 2015

## 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	2014 £	2013 £
Net operating costs - discontinued operations	1	(11,632)	(15,827)
<b>Operating loss - discontinued operations</b>		<b>(11,632)</b>	<b>(15,827)</b>
Share of loss of associated undertaking	7	(1,156)	(26,317)
<b>Loss before interest</b>		<b>(12,788)</b>	<b>(42,144)</b>
Interest receivable		242	862
<b>Loss on ordinary activities before taxation</b>		<b>(12,546)</b>	<b>(41,282)</b>
Tax on loss on ordinary activities	4	16	4,444
<b>Loss on ordinary activities after taxation</b>		<b>(12,530)</b>	<b>(36,838)</b>
Loss attributable to minority interests		3	17
<b>Loss for the year attributable to shareholders</b>	11	<b>(12,527)</b>	<b>(36,821)</b>

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	2014 £	2013 £
<b>Fixed assets</b>			
Interest in associated undertaking	7	98,548	349,688
<b>Current assets - Cash at bank and in hand</b>		39,269	84,809
<b>Creditors: amounts falling due within one year</b>	8	(49,286)	(41,651)
<b>Net current (liabilities)/assets</b>		(10,017)	43,158
<b>Net assets</b>		<u>88,531</u>	<u>392,846</u>
<b>Capital and reserves</b>			
Called up share capital	10	2,848	2,848
Profit and loss account	11	83,107	380,419
<b>Shareholders' funds</b>		85,955	383,267
Minority interests		2,576	9,579
		<u>88,531</u>	<u>392,846</u>

For the year ended 31 December 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

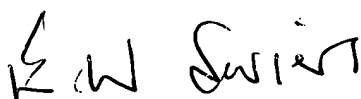
The directors acknowledge their responsibilities for ensuring that:

- (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 19 August 2015 and are signed on their behalf by:

E W Swiers

Director



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

## Company balance sheet

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Shares in group companies	12	10,307	38,319
Shares in associated undertaking	7	98,548	349,688
		<u>108,855</u>	<u>388,007</u>
<b>Current assets - Cash at bank and in hand</b>		26,386	36,161
<b>Creditors: amounts falling due within one year</b>	8	<u>(49,286)</u>	<u>(40,901)</u>
<b>Net current liabilities</b>		<u>(22,900)</u>	<u>(4,740)</u>
		<u>85,955</u>	<u>383,267</u>
<b>Capital and reserves</b>			
Called-up share capital	10	2,848	2,848
Profit and loss account	11	83,107	380,419
<b>Shareholders' funds</b>		<u>85,955</u>	<u>383,267</u>

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These financial statements were approved by the directors and authorised for issue on 19 August 2015 and are signed on their behalf by:

E W Swiers

Director



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

## Notes to the financial statements

### **1 Net operating costs**

Net operating costs are made up as follows:

	2014	2013
	£	£
Staff costs (see note 2)	8,800	9,331
Other operating charges	2,832	6,496
	<u>11,632</u>	<u>15,827</u>

### **2 Particulars of employees**

The average number of persons, including executive directors, employed by the group during the financial year was nil (2013: nil).

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

	2014	2013
	£	£
Directors' remuneration	<u>8,800</u>	<u>9,331</u>

### **3 Directors**

Emoluments of the directors of the company, including pension contributions, were £8,800 (2013: £9,331).

During the year, no directors (2013: nil) participated in pension schemes.

### **4 Tax on loss on ordinary activities**

	2014	2013
	£	£
Share of associated undertaking's tax credit	<u>(16)</u>	<u>(4,444)</u>

The group has unrelieved tax losses of £224,000 (2013: £213,000) which are available to be set against future taxable trading profits.

### **5 Losses attributable to the parent company**

Losses attributable to shareholders of £12,527 (2013: £36,821) 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 £284,785, representing £1.00 per ordinary share, on 24 November 2014 in respect of the year ended 31 December 2014. They do not recommend the payment of a final dividend in respect of 2014. No dividend was paid in respect of 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 2014 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 £498,772 to £98,548 (2013: £349,688).

The share of the associated undertaking's loss before taxation was £1,156 (2013: loss £2,135), which after a tax credit of £16 (2013: £4,444) and a write-down of associated undertaking's tangible fixed assets of £Nil (2013: £24,182) left a loss of £1,140 (2013: loss £21,873). Dividends of £250,000 (2013: £nil) were paid during the year. These figures are based on the unaudited management accounts of Nettletons & Porters Limited for the year ended 31 December 2014.

The results of the associated undertaking were:

	2014	2013
	£	£
Turnover	-	-
Loss before taxation	<u>(2,890)</u>	<u>(5,338)</u>

The principal assets and liabilities of the associated undertaking were:

Tangible fixed assets	211,566	600,000
Cash at bank	40,635	266,939
Other current assets	129	27,550
	<u>252,330</u>	<u>894,489</u>
Current liabilities – creditors and accruals	(5,958)	(20,269)
	<u>246,372</u>	<u>874,220</u>

## Notes to the financial statements (continued)

### 8 Creditors: amounts falling due within one year

	2014	The group	2014	The company
	£	2013	£	2013
		£		£
Accruals and deferred income	<u>49,286</u>	<u>41,651</u>	<u>49,286</u>	<u>40,901</u>

### 9 Deferred taxation

The group had no provision for deferred taxation at 31 December 2014 (2013: £nil).

A deferred tax asset of £44,800 (2013: £42,600) 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

	2014	2013
	£	£
Authorised:		
400,000 Ordinary shares of 1p each	<u>4,000</u>	<u>4,000</u>
	2014	2013
	£	£
Allotted, called up and fully paid:		
284,785 Ordinary shares of 1p each	<u>2,848</u>	<u>2,848</u>

## Notes to the financial statements (continued)

### 11 Reserves

Group	Profit and loss account £
At 1 January 2014	380,419
Loss for the year	(12,527)
Dividend paid (note 6)	(284,785)
At 31 December 2014	<u>83,107</u>
 Company	
At 1 January 2014	380,419
Profit for the year	266,625
Adjustments to carrying value of associated and subsidiary undertakings	(279,152)
Dividend paid (note 6)	(284,785)
At 31 December 2014	<u>83,107</u>

The cumulative amount of goodwill arising from acquisitions which has been written off before arriving at the above figures is £61,593 (2013: £ 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 2014 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 £28,012 (2013: £220,067) to reflect the group's share of the net assets of the subsidiary.

### 13 Capital commitments

At the year end no capital expenditure had been contracted for (2013: nil).

### 14 Contingent liabilities

There were no contingent liabilities at 31 December 2014 (2013: nil).