

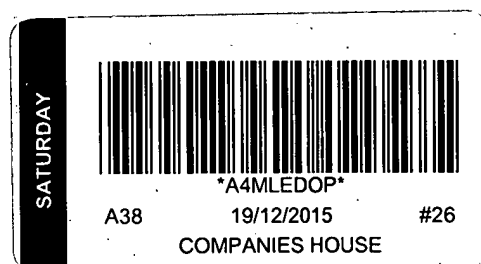
**Chartered Accountants**

Established Nineteen Twenty Six

**G.C. BIRCHALL (HOLDINGS)  
LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH  
2015**



# G.C. BIRCHALL (HOLDINGS) LIMITED

## DIRECTORS AND ADVISERS

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**Directors**

Mr.Colin G. Birchall  
Mrs.Christine Birchall

**Secretary**

Mr.Colin G. Birchall

**Company number**

345838 (England and Wales)

**Registered office**

11 Nicholas Street  
Burnley  
Lancashire  
BB11 2AL

**Registered auditors**

Ashworth Moulds  
11 Nicholas Street  
Burnley  
Lancashire  
BB11 2AL

**Bankers**

Yorkshire Bank  
40 Church Street  
Blackburn  
Lancashire  
BB1 5AW

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# **G.C. BIRCHALL (HOLDINGS) LIMITED**

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# **G.C. BIRCHALL (HOLDINGS) LIMITED**

## **STRATEGIC REPORT**

***FOR THE YEAR ENDED 31 MARCH 2015***

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The directors present their strategic report for the year ended 31 March 2015.

### **Business Review**

During the year the group moved to new premises on Burnley Bridge Business Park and operations commenced from these premises in January, 2015.

The Cobalt building more than doubles previous capacity, making it one of the largest privately owned food service depots in the UK and better equipped to service its customers throughout the North of England and North Wales with a total investment to date by the group and the directors pension fund in excess of £3,500,000.

The new premises were built to the latest thermal and environmental specifications and include a state of the art demonstration kitchen, exhibition and visitor centre.

### **Principal risks and uncertainties**

The group operates in the fast moving consumer goods industry that remains intensely competitive.

The principal risks and uncertainties facing the group are considered to be:-

- Macro-economic factors such as UK recession or negative inflation rates
- Non-compliance with applicable legislation and governance
- Credit risk and bad debts
- Availability of capital to fund growth

All of the above risks and uncertainties are kept under constant review by the directors on a day to day basis.

### **Financial Key Performance Indicators**

The group's directors believe that their key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and operating profit.

Turnover represents invoiced wholesale goods. The turnover for the year increased by 2% to £18,285,437 in comparison to last year.

Whilst the headline figure of operating profit for the year decreased to £297,267 (1.6% of turnover) from £448,209 (2.5% of turnover) and profit before tax has decreased to £229,550 (2014 : £404,250), there were a number of one-off items totalling in excess of £200,000 resulting from the purchase and relocation to the new premises.

We are pleased to report that sales and margin show continued growth following the 2015 year end, as previously projected, and based on investments to date.

# **G.C. BIRCHALL (HOLDINGS) LIMITED**

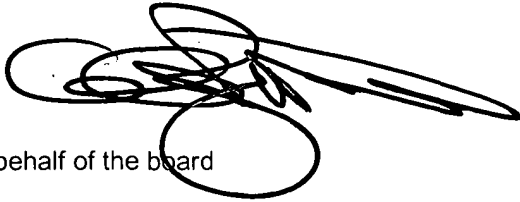
## **STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2015***

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### **Future Developments**

The purpose designed new warehouse has enabled the company to expand into fresh foods with a comprehensive range of butchery products and in the future, fresh fish, fruit and vegetables. This will allow the business to provide customers with a full one-stop shop for all their catering needs.



On behalf of the board

Mr. Colin G. Birchall

**Director**

18 December 2015

# **G.C. BIRCHALL (HOLDINGS) LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2015**

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The directors present their report and financial statements for the year ended 31 March 2015.

### **Principal activities**

The principle activity of the group continued to be that of food wholesalers.

### **Results and dividends**

The consolidated profit and loss account for the year is set out on page 7.

### **Directors**

The following directors have held office since 1 April 2014:

Mr. Colin G. Birchall  
Mrs. Christine Birchall

### **Auditors**

The auditors, Ashworth Moulds, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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). 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **G.C. BIRCHALL (HOLDINGS) LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2015**

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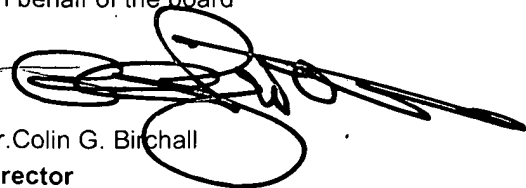
### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

### **Strategic report**

The information required by schedule 7 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the separate Strategic Report in accordance with section 414C(11) of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013.

On behalf of the board

A handwritten signature in black ink, appearing to be 'Colin G. Birchall', written over a horizontal line.

Mr. Colin G. Birchall

Director

18 December 2015

# **G.C. BIRCHALL (HOLDINGS) LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF G.C. BIRCHALL (HOLDINGS) LIMITED**

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We have audited the group and parent company financial statements (the "financial statements") of G.C. Birchall (Holdings) Limited for the year ended 31 March 2015 set out on pages 7 to 24. 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).

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 auditors' 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.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 - 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



# **G.C. BIRCHALL (HOLDINGS) LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF G.C. BIRCHALL (HOLDINGS) LIMITED**

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

**David Pickles (Senior Statutory Auditor)**  
for and on behalf of Ashworth Moulds

18 December 2015

**Chartered Accountants**  
**Statutory Auditor**

11 Nicholas Street  
Burnley  
Lancashire  
BB11 2AL

# G.C. BIRCHALL (HOLDINGS) LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 £	2014 £
Turnover	2	18,285,437	17,935,154
Cost of sales		(12,817,679)	(12,743,171)
Gross profit		5,467,758	5,191,983
Distribution costs		(3,412,702)	(3,329,186)
Administrative expenses		(1,812,006)	(1,474,521)
Other operating income		54,218	59,933
Operating profit	3	297,268	448,209
Interest payable and similar charges	4	(67,717)	(43,959)
Profit on ordinary activities before taxation		229,551	404,250
Tax on profit on ordinary activities	5	(48,346)	(98,082)
Profit on ordinary activities after taxation		181,205	306,168

The notes on pages 11 - 24 form an integral part of these accounts.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# G.C. BIRCHALL (HOLDINGS) LIMITED

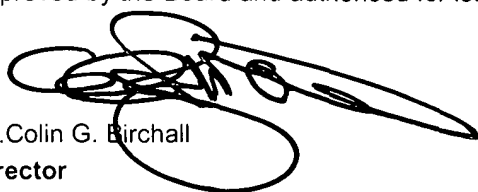
Company Registration No. 345838 (England and Wales)

## BALANCE SHEETS AS AT 31 MARCH 2015

		Group		Company	
	Notes	2015 £	2014 £	2015 £	2014 £
<b>Fixed assets</b>					
Intangible assets	8	63,401	81,516	-	-
Tangible assets	9	3,376,463	1,772,667	-	-
Investments	10	33	33	4,702	4,702
		<u>3,439,897</u>	<u>1,854,216</u>	<u>4,702</u>	<u>4,702</u>
<b>Current assets</b>					
Stocks	11	1,129,164	1,087,529	-	-
Debtors	12	3,184,429	2,455,375	1,547	1,628
Cash at bank and in hand		1,216	1,740	11	-
		<u>4,314,809</u>	<u>3,544,644</u>	<u>1,558</u>	<u>1,628</u>
<b>Creditors: amounts falling due within one year</b>	13	(4,241,658)	(2,929,770)	-	-
<b>Net current assets</b>		<u>73,151</u>	<u>614,874</u>	<u>1,558</u>	<u>1,628</u>
<b>Total assets less current liabilities</b>		<u>3,513,048</u>	<u>2,469,090</u>	<u>6,260</u>	<u>6,330</u>
<b>Creditors: amounts falling due after more than one year</b>	14	(1,635,798)	(807,794)	-	-
<b>Provisions for liabilities</b>	15	(161,748)	(88,107)	-	-
		<u>1,715,502</u>	<u>1,573,189</u>	<u>6,260</u>	<u>6,330</u>
<b>Capital and reserves</b>					
Called up share capital	17	320	320	320	320
Profit and loss account	18	1,715,182	1,572,869	5,940	6,010
<b>Shareholders' funds</b>	19	<u>1,715,502</u>	<u>1,573,189</u>	<u>6,260</u>	<u>6,330</u>

The notes on pages 11 - 24 form an integral part of these accounts.

Approved by the Board and authorised for issue on 18 December 2015

  
Mr. Colin G. Birchall  
Director

# G.C. BIRCHALL (HOLDINGS) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2015

	£	2015 £	£	2014 £
<b>Net cash inflow from operating activities</b>		132,847		1,061,864
<b>Returns on investments and servicing of finance</b>				
Interest paid	(67,717)		(43,959)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(67,717)		(43,959)
<b>Taxation</b>		-		(50,516)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(2,112,176)		(954,563)	
Receipts from sales of tangible assets	68,507		43,099	
<b>Net cash inflow for capital expenditure</b>		(2,043,669)		(911,464)
<b>Equity dividends paid</b>		(38,892)		(106,028)
<b>Net cash inflow before management of liquid resources and financing</b>		(2,017,431)		(50,103)
<b>Financing</b>				
Increase in bank loans less repayments	872,261		(64,190)	
New loan from directors	100,000		-	
Capital element of hire purchase contracts and finance leases	134,237		573,551	
Capital element of loan repayments to directors	(69,000)		(69,275)	
<b>Net cash inflow from financing</b>		1,037,498		440,086
<b>Increase/(decrease) in cash in the year</b>		(979,933)		389,983

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2015 £	2014 £
	Operating profit	297,268	448,209
	Depreciation of tangible assets	441,658	356,698
	Amortisation of intangible assets	18,115	32,607
	Profit/(loss) on disposal of tangible assets	(1,786)	10,622
	(Increase)/decrease in stocks	(41,635)	127,151
	Increase in debtors	(703,759)	(344,389)
	Increase in creditors within one year	122,987	430,966
	<b>Net cash (outflow)/inflow from operating activities</b>	<b>132,847</b>	<b>1,061,864</b>

2	Analysis of net debt	1 April 2014 £	Cash flow £	Other non- cash changes £	31 March 2015 £
	Net cash:				
	Cash at bank and in hand	1,740	(524)	-	1,216
	Bank overdrafts	(356,045)	(979,409)	-	(1,335,454)
		<u>(354,305)</u>	<u>(979,933)</u>	<u>-</u>	<u>(1,334,238)</u>
	Finance leases and hire purchase contracts	(864,003)	(134,236)	-	(998,239)
	Debts falling due within one year	(22,800)	(51,632)	-	(74,432)
	Debts falling due after one year	(100,519)	(751,629)	-	(852,148)
		<u>(987,322)</u>	<u>(937,497)</u>	<u>-</u>	<u>(1,924,819)</u>
	<b>Net debt</b>	<b>(1,341,627)</b>	<b>(1,917,430)</b>	<b>-</b>	<b>(3,259,057)</b>

3	Reconciliation of net cash flow to movement in net debt	2015 £	2014 £
	(Decrease)/increase in cash in the year	(979,933)	389,983
	Cash inflow from increase in debt	(937,497)	(440,088)
	<b>Movement in net debt in the year</b>	<b>(1,917,430)</b>	<b>(50,105)</b>
	Opening net debt	(1,341,627)	(1,291,522)
	<b>Closing net debt</b>	<b>(3,259,057)</b>	<b>(1,341,627)</b>

# **G.C. BIRCHALL (HOLDINGS) LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Basis of consolidation**

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2015. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### **1.4 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.5 Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 7 years.

#### **1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Buildings long leasehold	2% straight line basis
Alterations to leasehold property	20% straight line basis
Plant & machinery	5 - 10% straight line basis
Fixtures & fittings	10 - 20% straight line basis
Motor vehicles	10 - 25% straight line basis

#### **1.7 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated in accordance with the company's depreciation policies. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account on a straight line basis over the life of the agreement.

Rentals payable under operating leases are charged against income in the year in which they are incurred.

#### **1.8 Investments**

Fixed asset investments are stated at cost.

#### **1.9 Stock**

Stock is valued at the lower of cost and net realisable value.

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

### 1 Accounting policies (continued)

#### 1.10 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.11 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

### 2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2015 £	2014 £
Operating profit is stated after charging:		
Amortisation of intangible assets	18,115	32,607
Depreciation of tangible assets	441,658	356,698
Loss on disposal of tangible assets	478	12,545
Fees payable to the group's auditor for the audit of the group's annual accounts (company £-; 2014: £-)	9,850	9,550
and after crediting:		
Profit on disposal of tangible assets	(2,264)	(1,923)

4 Interest payable	2015 £	2014 £
On bank loans and overdrafts	5,041	12,925
On other loans wholly repayable within five years	15,948	2,074
Lease finance charges and hire purchase interest	38,111	19,863
Other interest	8,617	9,097
	<u>67,717</u>	<u>43,959</u>

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

5	Taxation	2015 £	2014 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	(25,295)	77,916
	<b>Total current tax</b>	(25,295)	77,916
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	73,641	20,166
		48,346	98,082
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	229,551	404,250
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 23.00%)	45,910	92,978
	Effects of:		
	Non deductible expenses	8,029	6,556
	Capital allowances less than / (in excess) of depreciation	(76,405)	(13,184)
	Marginal rates	-	(8,434)
	Adjustment for change in tax rate	(2,829)	-
		(71,205)	(15,062)
	<b>Current tax charge for the year</b>	(25,295)	77,916

### 6 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2015 £	2014 £
Holding company's profit for the financial year	38,822	105,947



# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2015

7	Dividends	2015	2014
		£	£
	Ordinary interim paid	38,892	106,028
8	Intangible fixed assets Group		Goodwill
			£
	Cost		
	At 1 April 2014 & at 31 March 2015		214,533
	Amortisation		
	At 1 April 2014		133,017
	Charge for the year		18,115
	At 31 March 2015		151,132
	Net book value		
	At 31 March 2015		63,401
	At 31 March 2014		81,516

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2015

#### 9 Tangible fixed assets

##### Group

	Buildings long leasehold	Alterations to leasehold property	Plant & machinery	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2014	-	238,190	-	1,190,423	1,890,462	3,319,075
Additions	1,093,876	-	376,910	425,088	216,302	2,112,176
Transfers	-	(6,465)	-	6,465	-	-
Disposals	-	(231,725)	-	(583,672)	(17,370)	(832,767)
At 31 March 2015	1,093,876	-	376,910	1,038,304	2,089,394	4,598,484
<b>Depreciation</b>						
At 1 April 2014	-	141,033	-	832,986	572,390	1,546,409
Transfers	-	(2,055)	-	2,055	-	-
On disposals	-	(201,725)	-	(553,566)	(10,755)	(766,046)
Charge for the year	3,654	62,747	3,215	149,880	222,162	441,658
At 31 March 2015	3,654	-	3,215	431,355	783,797	1,222,021
<b>Net book value</b>						
At 31 March 2015	1,090,222	-	373,695	606,949	1,305,597	3,376,463
At 31 March 2014	-	97,156	-	357,438	1,318,073	1,772,667

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant & machinery	Motor vehicles	Total
	£	£	£
<b>Net book values</b>			
At 31 March 2015	172,364	1,026,294	1,198,658
At 31 March 2014	59,134	937,100	996,234
<b>Depreciation charge for the year</b>			
31 March 2015	2,231	127,107	129,338
31 March 2014	14,784	54,606	69,390

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

### 10 Fixed asset investments Group

	Unlisted investments £	Total £
<b>Cost</b>		
At 1 April 2014 & at 31 March 2015	33	33
<b>Net book value</b>		
At 31 March 2015	33	33
At 31 March 2014	33	33

### Company

	Shares in group undertakings £
<b>Cost</b>	
At 1 April 2014 & at 31 March 2015	4,702
<b>Net book value</b>	
At 31 March 2015	4,702
At 31 March 2014	4,702

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
<b>Subsidiary undertakings</b>			
G.C. Birchall Limited	England and Wales	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
G.C. Birchall Limited	Food wholesaler

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

### 11 Stocks

	Group 2015 £	2014 £	Company 2015 £	2014 £
Finished goods and goods for resale	1,129,164	1,087,529	-	-

### 12 Debtors

	Group 2015 £	2014 £	Company 2015 £	2014 £
Trade debtors	1,849,929	1,824,153	-	-
Amounts owed by group undertakings	-	-	1,177	1,407
Corporation tax	47,007	21,712	-	-
Other debtors	774,738	129,089	370	221
Prepayments and accrued income	512,755	480,421	-	-
	3,184,429	2,455,375	1,547	1,628

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

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

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	1,409,886	378,845	-	-
Net obligations under finance lease and hire purchase contracts	214,589	156,728	-	-
Trade creditors	2,004,184	1,959,695	-	-
Corporation tax	81,579	81,579	-	-
Taxes and social security costs	58,009	-	-	-
Other creditors	190,867	83,151	-	-
Accruals and deferred income	282,544	269,772	-	-
	<u>4,241,658</u>	<u>2,929,770</u>	<u>-</u>	<u>-</u>

#### Group

Included in the bank loans and overdrafts figure is £1,221,483 (2014: NIL) which relates to an invoice discounting facility. This is secured on trade debtors.

The bank loan and overdraft are secured by a debenture incorporating a fixed and floating charge over all the subsidiary company's assets and a legal first charge over The Cobalt Building, Magnesium Way, Burnley. The bank loan and overdraft are also secured by a personal guarantee by one of the directors, Mr. Colin G. Birchall, upto a maximum of £250,000.

The aggregate amount of secured borrowing, including amounts due under finance leases and hire purchase agreements, is £2,017,315 (2014 £ 1,252,892).

Other creditors include loans from the directors Mr & Mrs C. Birchall of £169,000 (2014: £69,000) which are unsecured and repayable over five years. £100,000 is payable on demand and the balance at £5,750 per month. Interest is payable at 4% over bank base rate.

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

### 14 Creditors : amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans	830,673	10,044	-	-
Directors loans	21,475	90,475	-	-
Net obligations under finance leases and hire purchase agreements	783,650	707,275	-	-
	<u>1,635,798</u>	<u>807,794</u>	<u>-</u>	<u>-</u>
<b>Analysis of loans</b>				
Wholly repayable within five years	1,095,580	192,319	-	-
Included in current liabilities	(243,432)	(91,800)	-	-
	<u>852,148</u>	<u>100,519</u>	<u>-</u>	<u>-</u>
<b>Loan maturity analysis</b>				
In more than one year but not more than two years	99,088	79,044	-	-
In more than two years but not more than five years	252,698	21,475	-	-
In more than five years	<u>500,362</u>	<u>-</u>	<u>-</u>	<u>-</u>

The two bank loans advanced during the year are secured by a debenture incorporating a fixed and floating charge over all the company's assets and a legal first charge over The Cobalt Building, Magnesium Way, Burnley. The bank loans are also secured by a personal guarantee by one of the directors, Mr. Colin G. Birchall, upto a maximum of £250,000.

The first bank loan of £600,000 is repayable in equal monthly instalments over 15 years. Interest is charged on the loan at 3% over LIBOR. The second bank loan of £335,000 is repayable in equal monthly instalments over 7 years. Interest is charged on the loan at 4% over LIBOR.

The directors loans are unsecured and repayable over five years at £5,750 per month. Interest is payable at 4% above base rate.

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

### 14 Creditors : amounts falling due after more than one year

(continued)

#### Net obligations under finance leases and hire purchase contracts

Repayable within one year	257,212	190,091	-	-
Repayable between one and five years	860,715	680,328	-	-
Repayable after five years	102,818	196,188	-	-
	<u>1,220,745</u>	<u>1,066,607</u>	<u>-</u>	<u>-</u>
Finance charges and interest allocated to future accounting periods	(222,506)	(202,604)	-	-
	<u>998,239</u>	<u>864,003</u>	<u>-</u>	<u>-</u>
Included in liabilities falling due within one year	(214,589)	(156,728)	-	-
	<u>783,650</u>	<u>707,275</u>	<u>-</u>	<u>-</u>

Finance leases and hire purchase contracts are secured on the assets to which they relate.

### 15 Provisions for liabilities Group

Deferred  
taxation  
£

Balance at 1 April 2014	88,107
Profit and loss account	73,641
	<u>161,748</u>
Balance at 31 March 2015	<u>161,748</u>

The deferred tax liability is made up as follows:

	Group 2015 £	2014 £	Company 2015 £	2014 £
Accelerated capital allowances	<u>161,748</u>	<u>88,107</u>	<u>-</u>	<u>-</u>

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

### 16 Pension and other post-retirement benefit commitments

#### Defined contribution

	2015 £	2014 £
Contributions payable by the group for the year	187,676	117,703

### 17 Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
160 Ordinary 'A' shares of £1 each	160	160
160 Ordinary 'B' shares of £1 each	160	160
	320	320

### 18 Statement of movements on profit and loss account Group

	Profit and loss account £
Balance at 1 April 2014	1,572,869
Profit for the year	181,205
Dividends paid	(38,892)
Balance at 31 March 2015	1,715,182

#### Company

	Profit and loss account £
Balance at 1 April 2014	6,010
Profit for the year	38,822
Dividends paid	(38,892)
Balance at 31 March 2015	5,940



# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

19	Reconciliation of movements in shareholders' funds Group	2015	2014
		£	£
	Profit for the financial year	181,205	306,168
	Dividends	(38,892)	(106,028)
	Net addition to shareholders' funds	142,313	200,140
	Opening shareholders' funds	1,573,189	1,373,049
	Closing shareholders' funds	1,715,502	1,573,189
	<b>Company</b>	<b>2015</b>	<b>2014</b>
		£	£
	Profit for the financial year	38,822	105,947
	Dividends	(38,892)	(106,028)
	Net depletion in shareholders' funds	(70)	(81)
	Opening shareholders' funds	6,330	6,411
	Closing shareholders' funds	6,260	6,330
20	Directors' remuneration	2015	2014
		£	£
	Remuneration for qualifying services	119,925	119,841

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

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### 21 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

2015 Number	2014 Number
107	102

#### Employment costs

	2015 £	2014 £
Wages and salaries	2,517,894	2,391,049
Social security costs	217,153	206,599
Other pension costs	187,676	117,703
	<u>2,922,723</u>	<u>2,715,351</u>

### 22 Control

The ultimate control of the company is held by C.G. Birchall, a director of the company.

# G.C. BIRCHALL (HOLDINGS) LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2015

#### 23 Related party relationships and transactions

##### Loans to directors and related parties

Transactions in relation to loans with directors of the parent company or subsidiary company during the year are outlined in the table below:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Mr. Justin A. Birchall - loan	-	86,848	6,401	-	(7,609)	85,640
		<u>86,848</u>	<u>6,401</u>	<u>-</u>	<u>(7,609)</u>	<u>85,640</u>

##### Dividends to Directors and related parties

The following directors of the parent company or subsidiary company were paid dividends during the year as outlined in the table below:

	2015 £	2014 £
Mr. Colin G. Birchall	17,015	46,387
Mrs. Christine Birchall	12,154	33,134
Mr. Justin A. Birchall	5,834	15,904
	<u>35,003</u>	<u>95,425</u>

##### Group

At 31 March 2015 the company's subsidiary owed its directors Colin & Christine Birchall £190,475 (2014: £159,475), as disclosed in notes 13 and 14. During the year interest was paid on this loan on a commercial basis of £8,617 (2014: £9,097).

The company's subsidiary rents premises which are owned by Birchall Family Suntrust Scheme - Pension Fund, of which four of the directors are members. A commercial rent of £112,616 was paid (2014: £67,500).