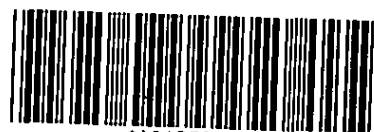


**REGISTERED NUMBER - 563365
(England and Wales)**

**TOM BARRON LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 2013**

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TOM BARRON LIMITED

DIRECTORS' REPORT

YEAR ENDED 30TH JUNE 2013

The directors present their report and the financial statements of the group for the year ended 30th June 2013

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the group during the year was poultry and dairy farming

The main financial Key Performance Indicators of the group are turnover, gross profit, profit before tax and cash flow from operations. The group's business activities, financial condition or results of operations could be affected by any or all of the following risks or uncertainties -

Competitive nature of the market

The dairy market consists of large and small processors and distributors competing for sales to customers of varying sizes. The group manages this risk by being competitive on price and by offering an efficient and flexible service to its customers. The poultry market is highly competitive and comprises a small number of large distributors selling different breeds to customers. The differences in breed attributes such as mortality profiles, saleable eggs per bird, liveability, feed efficiency and price affect the choice of customers when purchasing birds. The group has exclusive rights for Novogen products in the UK and Eire. The birds are highly regarded in the market place and provide a competitive advantage for the group. The Tom Barron group is the only independent layer hatchery serving the United Kingdom.

Government legislation

The Government's animal welfare policy, together with potential legislation covering transport of poultry, cattle and laying conditions for poultry, could adversely affect the group's profitability if, as a result, the group has to upgrade its facilities. Changes in the Government's taxation policies could also affect the group's profitability.

Suppliers' financial stability

The group is the exclusive distributor in the UK and Eire for Novogen breeds of poultry. It is dependent upon the continued supply of parent stock from Groupe Grimaud companies which supplies Novogen products and on the perception in the market place of Novogen birds.

UK Economy

The dairy and poultry markets are influenced by general economic conditions, including changes in milk prices, feed prices, interest rates, fuel prices, indirect taxation, the cost and availability of credit and other factors which affect the levels of consumer confidence. The group maintains a tight control on the operating efficiency of its subsidiaries, mitigating the risks and ensuring that it is in a position to benefit from opportunities as and when they arise.

RESULTS AND DIVIDENDS

The loss for the year amounted to £42,752. The directors have not recommended a dividend.

TOM BARRON LIMITED

DIRECTORS' REPORT (continued)

YEAR ENDED 30TH JUNE 2013

FINANCIAL INSTRUMENTS

The group holds or issues financial instruments in order to achieve three main objectives, being

- (a) to finance its operations,
- (b) to manage its exposure to fluctuating levels of stock and debtors, and
- (c) for trading purposes

The major financial risks faced by the group relate to interest rates and funding. The policies agreed for managing these financial risks have remained the same since the beginning of the year under review and are summarised below -

The group finances its operations by a mixture of fixed and floating loans together with an invoice discounting facility for certain trade debtors.

The group has limited exposure to foreign currency when purchasing breeder flocks from Europe and nor does it undertake any trading in financial instruments.

DIRECTORS

The directors who served the company during the year were as follows

Keith William Leeming
Neil William Leeming
Martin Barron Tomlinson
Frank Barron Leeming
David Harrison
Michael John Leeming
Richard Neil William Leeming

Michael John Leeming was appointed as a director on 11th December 2012
Richard Neil William Leeming was appointed as a director on 11th December 2012

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 the group and of the profit or loss of the group for that year.

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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

TOM BARRON LIMITED

DIRECTORS' REPORT (continued)

YEAR ENDED 30TH JUNE 2013

DIRECTORS' RESPONSIBILITIES (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Whitehead & Aldrich are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

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

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware, and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the directors


K W LEEMING
Director

Approved by the directors on 27th March 2014

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TOM BARRON LIMITED

YEAR ENDED 30TH JUNE 2013

We have audited the group and parent company financial statements ("the financial statements") of Tom Barron Limited for the year ended 30th June 2013. 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 shareholders, 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 shareholders 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 shareholders 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 to 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 group's and the parent 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. 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 30th June 2013 and of the group's loss 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.


**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
TOM BARRON LIMITED (continued)**

YEAR ENDED 30TH JUNE 2013

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



D M GREENWOOD
Senior Statutory Auditor

For and on behalf of
WHITEHEAD & ALDRICH
Chartered Accountants
and Statutory Auditor
Preston

27th March 2014

TOM BARRON LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30TH JUNE 2013

	Note	2 0 1 3 £	2 0 1 2 £
GROUP TURNOVER	2	11,908,017	12,413,822
Other operating income	3	100,744	92,553
		12,008,761	12,506,375
Cost of sales		(8,038,176)	(7,456,283)
Staff costs	4	(2,321,267)	(2,464,421)
Depreciation written off fixed assets	5	(368,238)	(368,877)
Other operating charges		(2,130,336)	(2,272,243)
OPERATING LOSS	5	(849,256)	(55,449)
Exceptional item	7	968,813	—
Interest payable and similar charges	8	(162,309)	(146,184)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(42,752)	(201,633)
Tax on loss on ordinary activities	9	—	—
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION	10	(42,752)	(201,633)

CONTINUING OPERATIONS

All of the activities of the group are classed as continuing

TOTAL RECOGNISED GAINS AND LOSSES

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 notes on pages 11 to 24 form part of these financial statements

TOM BARRON LIMITED
GROUP BALANCE SHEET
30TH JUNE 2013

	Note	2013		2012	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11		10,781		35,707
Tangible assets	12		1,899,776		2,470,035
Investments	13		10		10
			<u>1,910,567</u>		<u>2,505,752</u>
CURRENT ASSETS					
Stocks	14	2,735,018		3,097,329	
Debtors	15	2,227,666		2,011,836	
Cash at bank and in hand		178,989		240,690	
		<u>5,141,673</u>		<u>5,349,855</u>	
CREDITORS amounts falling due within one year	16	3,449,331		3,204,420	
NET CURRENT ASSETS			<u>1,692,342</u>		<u>2,145,435</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,602,909</u>		<u>4,651,187</u>
CREDITORS amounts falling due after more than one year	17		2,960,312		3,965,838
NET ASSETS			<u>642,597</u>		<u>685,349</u>
CAPITAL AND RESERVES					
Called-up equity share capital	22		20,000		20,000
Profit and loss account	23		622,597		665,349
SHAREHOLDERS' FUNDS	24		<u>642,597</u>		<u>685,349</u>

These accounts were approved by the directors and authorised for issue on 27th March 2014, and are signed on their behalf by


N.W. LEEMING
 Director



The notes on pages 11 to 24 form part of these financial statements

TOM BARRON LIMITED

BALANCE SHEET

30TH JUNE 2013

	Note	2013		2012	
		£	£	£	£
FIXED ASSETS					
Tangible assets	12		1,095,567		1,541,060
Investments	13		105		431,252
			<u>1,095,672</u>		<u>1,972,312</u>
CURRENT ASSETS					
Stocks	14	403,965		736,383	
Debtors	15	2,116,262		2,065,259	
Cash at bank and in hand		<u>1,011,430</u>		<u>696,381</u>	
		3,531,657		3,498,023	
CREDITORS : amounts falling due within one year	16	<u>1,055,828</u>		<u>1,184,586</u>	
NET CURRENT ASSETS			<u>2,475,829</u>		<u>2,313,437</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,571,501		4,285,749
CREDITORS : amounts falling due after more than one year	17		<u>2,928,896</u>		<u>3,598,321</u>
NET ASSETS			<u>642,605</u>		<u>687,428</u>
CAPITAL AND RESERVES					
Called-up equity share capital	22		20,000		20,000
Profit and loss account	23		<u>622,605</u>		<u>667,428</u>
SHAREHOLDERS' FUNDS			<u>642,605</u>		<u>687,428</u>

These accounts were approved by the directors and authorised for issue on 27th March 2014, and are signed on their behalf by


N.W. LEEMING
Director

Company Registration Number 363365

The notes on pages 11 to 24 form part of these financial statements

TOM BARRON LIMITED
GROUP CASH FLOW STATEMENT
YEAR ENDED 30TH JUNE 2013

	Note	2 0 1 3 £	2 0 1 2 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	25	(309,649)	146,379
Returns on investments and servicing of finance	25	(162,309)	(146,184)
Capital expenditure and financial investment	25	1,195,761	(133,948)
Cash inflow/(outflow) before financing		<u>723,803</u>	<u>(133,753)</u>
Financing	25	(785,503)	232,136
(Decrease)/increase in cash	25	<u>(61,700)</u>	<u>98,383</u>

The notes on pages 11 to 24 form part of these financial statements

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

Turnover represents amounts receivable for goods and services provided during the year, exclusive of value added tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Goodwill and concessions	- 10% on cost
Milk quotas	- 20% on cost

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Freehold buildings	- 2% on cost
Short leasehold buildings	- 2% on cost
Improvements to short leasehold buildings	- 10% on cost
Plant and machinery - first year	- 10% on cost
Plant and machinery - following six years	- 15% on cost
Computer equipment	- 20% on cost
Motor vehicles	- 15% - 25% on written down value

No depreciation is provided on freehold land.

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

1 ACCOUNTING POLICIES (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Livestock

The dairy herd and poultry flocks are valued so as to reflect the costs of rearing them. The costs of rearing include direct costs, production overheads and other overheads attributable to rearing the livestock to their current age and condition.

The cost of rearing poultry laying flocks to point-of-lay is written off over the expected period that the flocks will be in lay.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined benefit scheme in respect of certain employees. Contributions to the scheme are charged to profit and loss account as they become payable. These contributions are allocated to a Sun Life Retirement Benefits Policy. The schedule of contributions is recertified annually by the actuary as adequate to meet the Minimum Funding Requirement and consequently no material surplus or deficit exists in respect of the scheme.

The company also operates a money purchase pension scheme in respect of six directors of the company.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

2 TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the group

An analysis of turnover is given below

	2 0 1 3 £	2 0 1 2 £
United Kingdom	11,590,984	11,957,248
Overseas	317,033	456,574
	<u>11,908,017</u>	<u>12,413,822</u>

3. OTHER OPERATING INCOME

	2 0 1 3 £	2 0 1 2 £
Miscellaneous income	<u>100,744</u>	<u>92,553</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2 0 1 3 No	2 0 1 2 No
Number of production staff	92	95
Number of administrative staff	<u>22</u>	<u>24</u>
	<u>114</u>	<u>119</u>

The aggregate payroll costs of the above were

	2 0 1 3 £	2 0 1 2 £
Wages and salaries	2,165,367	2,267,158
Social security costs	154,900	191,386
Other pension costs	1,000	5,877
	<u>2,321,267</u>	<u>2,464,421</u>

5 OPERATING LOSS

Operating loss is stated after charging

	2 0 1 3 £	2 0 1 2 £
Amortisation of intangible assets	24,926	9,428
Depreciation of owned fixed assets	273,553	251,131
Depreciation of assets held under hire purchase agreements	69,759	108,318
Auditor's remuneration		
- as auditor	23,550	22,500
Operating lease costs		
Buildings	128,011	137,220
Equipment	189,774	195,941

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2 0 1 3 £	2 0 1 2 £
Remuneration receivable	<u>162,551</u>	<u>133,825</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2 0 1 3 No	2 0 1 2 No
Money purchase schemes	<u>6</u>	<u>4</u>

7 EXCEPTIONAL ITEM

The exceptional profit on disposal of property relates to the sale of the hatchery to the Tom Barron (1978) Pension Scheme at the open market value advised by SHP Valuers Limited, Chartered Surveyors, on 18th June 2013

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2 0 1 3 £	2 0 1 2 £
Interest payable on bank borrowing	10,513	11,975
Loan interest	138,868	111,077
Finance charges	8,747	17,292
Other interest	4,181	5,840
	<u>162,309</u>	<u>146,184</u>

9. TAXATION ON ORDINARY ACTIVITIES

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2012 - 20%)

	2 0 1 3 £	2 0 1 2 £
Loss on ordinary activities before taxation	<u>(42,752)</u>	<u>(201,633)</u>
Loss on ordinary activities by rate of tax	(312,061)	(39,011)
Expenses not deductible for tax purposes	13,517	17,838
Capital allowances for period in excess of depreciation	14,968	10,460
Utilisation of tax losses	(3,090)	(27,234)
Unrelieved tax losses	99,282	40,379
Adjustments for herd stock	929	(1,112)
Rounding on tax charge	-	1
Provision for losses of subsidiary undertakings	303,510	(1,316)
Indexation relief on disposal of tangible fixed assets	(117,050)	-
Dividends received	<u>(5)</u>	<u>(5)</u>
Total current tax	<u>-</u>	<u>-</u>

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

10. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss after taxation dealt with in the financial statements of the parent company was £44,823 (2012 - £201,633)

11 INTANGIBLE FIXED ASSETS

Group	Goodwill and concessions £	Milk quotas £	Total £
COST			
At 1st July 2012 and 30th June 2013	<u>530,542</u>	<u>95,430</u>	<u>625,972</u>
AMORTISATION			
At 1st July 2012	495,890	94,375	590,265
Charge for the year	<u>23,877</u>	<u>1,049</u>	<u>24,926</u>
At 30th June 2013	<u>519,767</u>	<u>95,424</u>	<u>615,191</u>
NET BOOK VALUE			
At 30th June 2013	<u>10,775</u>	<u>6</u>	<u>10,781</u>
At 30th June 2012	<u>34,652</u>	<u>1,055</u>	<u>35,707</u>

12. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Short leasehold buildings £	Improvements to short leasehold buildings £	Plant and machinery £	Motor vehicles £	Total £
COST OR VALUATION						
At 1 July 2012	185,332	1,703,773	94,979	4,828,002	834,658	7,646,744
Additions	60,000	32,346	—	93,629	61,109	247,084
Disposals	(654,691)	—	—	(16,852)	(89,116)	(760,659)
Reclassifications	<u>594,692</u>	<u>(525,034)</u>	<u>(69,658)</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 30 June 2013	<u>185,333</u>	<u>1,211,085</u>	<u>25,321</u>	<u>4,904,779</u>	<u>806,651</u>	<u>7,133,169</u>
DEPRECIATION						
At 1 July 2012	77,706	588,734	49,902	3,909,609	550,757	5,176,708
Charge for the year	3,187	34,650	9,500	239,060	56,915	343,312
On disposals	(223,504)	—	—	(7,385)	(55,738)	(286,627)
Reclassifications	<u>223,503</u>	<u>(179,830)</u>	<u>(43,675)</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 30 June 2013	<u>80,894</u>	<u>443,554</u>	<u>15,727</u>	<u>4,141,284</u>	<u>551,934</u>	<u>5,233,393</u>
NET BOOK VALUE						
At 30 June 2013	<u>104,439</u>	<u>767,531</u>	<u>9,594</u>	<u>763,495</u>	<u>254,717</u>	<u>1,899,776</u>
At 30 June 2012	<u>107,626</u>	<u>1,115,039</u>	<u>45,077</u>	<u>918,393</u>	<u>283,901</u>	<u>2,470,036</u>

Freehold land and buildings include £25,984 (2011 - £25,984) in respect of land which has not been depreciated

Hire purchase agreements

Included within the net book value of £1,899,776 is £206,690 (2012 - £448,234) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £69,759 (2012 - £108,318)

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

12. TANGIBLE FIXED ASSETS (continued)

Company	Freehold land and buildings £	Short leasehold buildings £	Plant and machinery £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 July 2012	185,332	1,434,918	3,019,008	301,610	4,940,868
Additions	60,000	32,346	37,432	–	129,778
Disposals	(654,692)	–	(13,602)	(33,398)	(701,692)
Reclassification	525,034	(525,034)	–	–	–
Transfers	69,658	–	–	–	69,658
At 30 June 2013	<u>185,332</u>	<u>942,230</u>	<u>3,042,838</u>	<u>268,212</u>	<u>4,438,612</u>
DEPRECIATION					
At 1 July 2012	77,706	524,609	2,543,785	253,708	3,399,808
Charge for the year	3,187	29,272	115,697	12,066	160,222
On disposals	(223,505)	–	(4,135)	(33,020)	(260,660)
Reclassification	179,830	(179,830)	–	–	–
Transfers	43,675	–	–	–	43,675
At 30 June 2013	<u>80,893</u>	<u>374,051</u>	<u>2,655,347</u>	<u>232,754</u>	<u>3,343,045</u>
NET BOOK VALUE					
At 30 June 2013	<u>104,439</u>	<u>568,179</u>	<u>387,491</u>	<u>35,458</u>	<u>1,095,567</u>
At 30 June 2012	<u>107,626</u>	<u>910,309</u>	<u>475,223</u>	<u>47,902</u>	<u>1,541,060</u>

Hire purchase agreements

Included within the net book value of £1,095,567 is £90,265 (2012 - £142,002) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £26,740 (2012 - £33,804).

13. INVESTMENTS

Group	Unlisted investments £
Cost	
Balance brought forward	<u>10</u>
Balance carried forward	<u>10</u>
Net book value	
Balance carried forward	<u>10</u>
Balance brought forward	<u>10</u>

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

13 INVESTMENTS (continued)

The subsidiary undertakings as at 30th June 2010 were as follows -

Subsidiary undertakings	Holding	Proportion	Nature of business
Tom Barron Farms Limited	Ordinary shares	100%	Dairy farming
Pennine Organic's Limited	Ordinary shares	75%	Production of organic fertilisers
Fayre Game Limited	Ordinary shares	100%	Quail, game and speciality poultry
Clifton Dairies Limited	Ordinary shares	100%	Milk and dairy produce supplies
Tom Barron Independent Hatcheries Limited	Ordinary shares	100%	Production of laying eggs
Hawkswoop Limited	Ordinary shares	100%	Dormant

Company	Subsidiary undertakings £
Cost	
Balance brought forward	481,345
Balance carried forward	481,345
Amounts provided	
Balance brought forward	50,093
Written off for the year	431,147
Balance carried forward	481,240
Net book value	
Balance carried forward	105
Balance brought forward	431,252

14. STOCKS

	Group		Company	
	2013 £	2012 £	2013 £	2012 £
Raw materials and consumables	484,063	473,676	87,243	92,378
Livestock and produce	2,250,955	2,623,653	316,722	644,005
	2,735,018	3,097,329	403,965	736,383

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

15 DEBTORS

	Group		Company	
	2 0 1 3	2 0 1 2	2 0 1 3	2 0 1 2
	£	£	£	£
Trade debtors	1,839,676	1,890,152	664,830	261,351
Amounts owed by group undertakings	–	–	1,092,630	1,721,907
Other debtors	344,042	59,481	344,042	59,438
Prepayments and accrued income	43,948	62,203	14,760	22,563
	<u>2,227,666</u>	<u>2,011,836</u>	<u>2,116,262</u>	<u>2,065,259</u>

The debtors above include the following amounts falling due after more than one year

	Group		Company	
	2 0 1 3	2 0 1 2	2 0 1 3	2 0 1 2
	£	£	£	£
Amounts owed by group undertakings	–	–	692,022	782,748

The amounts owed to the company by group undertakings are stated after a provision for the losses of those undertakings in the sum of £1,778,281 (2012 - £1,866,881)

16 CREDITORS: amounts falling due within one year

	Group		Company	
	2 0 1 3	2 0 1 2	2 0 1 3	2 0 1 2
	£	£	£	£
Invoice discounting advances	419,137	412,473	–	–
Loan from related party	27,999	27,109	27,999	27,109
Bank loans	41,462	63,849	41,462	63,849
Trade creditors	1,809,862	1,748,441	399,552	450,149
Amounts owed to group undertakings	–	–	100	100
Hire purchase agreements	63,640	131,230	32,151	48,942
Directors' loan accounts	5,026	10,717	5,026	10,717
Other taxes and social security	46,043	53,320	12,520	13,952
Other creditors	542,475	559,429	431,074	465,648
Loans - Tom Barron (1978) Pension Scheme	310,000	–	–	–
Accruals and deferred income	183,687	197,852	105,944	104,120
	<u>3,449,331</u>	<u>3,204,420</u>	<u>1,055,828</u>	<u>1,184,586</u>

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

16. CREDITORS. amounts falling due within one year (continued)

The following liabilities disclosed under creditors falling due within one year are secured by the company

	Group		Company	
	2 0 1 3	2 0 1 2	2 0 1 3	2 0 1 2
	£	£	£	£
Bank loans and overdrafts	41,462	63,849	41,462	63,849
Hire purchase agreements	63,641	131,231	32,151	48,942
Invoice discounting advances	729,138	412,473	-	-
	<u>834,241</u>	<u>607,553</u>	<u>73,613</u>	<u>112,791</u>

17. CREDITORS. amounts falling due after more than one year

	Group		Company	
	2 0 1 3	2 0 1 2	2 0 1 3	2 0 1 2
	£	£	£	£
Bank loans	458,538	42,664	458,538	42,664
Hire purchase agreements	52,061	75,506	20,645	51,989
Other creditors	-	34,000	-	-
Loans - Tom Barron (1978) Pension Scheme	-	1,348,128	-	1,038,128
Loan from related party	2,449,713	2,465,540	2,449,713	2,465,540
	<u>2,960,312</u>	<u>3,965,838</u>	<u>2,928,896</u>	<u>3,598,321</u>

The following liabilities disclosed under creditors falling due after more than one year are secured

	Group		Company	
	2 0 1 3	2 0 1 2	2 0 1 3	2 0 1 2
	£	£	£	£
Bank loans	458,538	42,664	458,538	42,664
Hire purchase agreements	52,061	75,507	20,645	51,989
Loans - Tom Barron (1978) Pension Scheme	-	1,348,128	-	1,038,128
	<u>510,599</u>	<u>1,466,299</u>	<u>479,183</u>	<u>1,132,781</u>

The bank loans are secured by a debenture dated 15th January 2002 and legal mortgages over 1 and 2, Swillbrook Cottages, Rosemary Lane, Bartle

18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	Group		Company	
	2 0 1 3	2 0 1 2	2 0 1 3	2 0 1 2
	£	£	£	£
Amounts payable within 1 year	63,641	131,231	32,151	48,942
Amounts payable between 2 to 5 years	52,061	75,507	20,645	51,989
	<u>115,702</u>	<u>206,738</u>	<u>52,796</u>	<u>100,931</u>

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

19. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2013 the group had annual commitments under non-cancellable operating leases as set out below

Group	2 0 1 3		2 0 1 2	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Within 1 year	105,040	124,033	105,040	123,016
Within 2 to 5 years	52,068	3,108	52,068	3,108
	<u>157,108</u>	<u>127,141</u>	<u>157,108</u>	<u>126,124</u>

At 30 June 2013 the company had annual commitments under non-cancellable operating leases as set out below

Company	2 0 1 3		2 0 1 2	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Within 1 year	9,620	-	9,620	-
Within 2 to 5 years	-	3,108	-	3,108
	<u>9,620</u>	<u>3,108</u>	<u>9,620</u>	<u>3,108</u>

20 CONTINGENCIES

The company has entered into a composite cross guarantee arrangement in respect of bank borrowings of group undertakings and Tom Barron Estates Limited. At 30th June 2013 such borrowings amounted to £679,610 (2012 - £314,673)

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

21 RELATED PARTY TRANSACTIONS

The following companies are related parties by virtue of the fact that N W Leeming, M B Tomlinson and F B Leeming were directors and shareholders during the year. Transactions during the year and balances at 30th June 2013 are set out below

	GROUP	COMPANY
	£	£
Pennine Organic's Limited		
Miscellaneous income - management charge	-	1,000
Debtors - amounts owed to group undertakings	-	407,826
Bartle Hall Farms Limited		
Trade debtors - due within one year	1,749	1,749
Tom Barron Estates Limited		
Operating charges - rent	26,240	9,620
Operating charges - loan interest payable	89,956	89,956
Loan from related party - due within one year	27,999	27,999
Loan from related party - due after one year	2,449,713	2,449,713
Other creditors	419,995	419,995

Tom Barron Estates Limited has entered into a mortgage debenture with Tom Barron (1978) Pension Scheme to secure the monies advanced by the Pension Scheme to the company

Tom Barron Estates Limited has also entered into a debenture with the Royal Bank of Scotland plc to secure the liabilities of Tom Barron Limited and its subsidiary undertakings

During the year, Tom Barron Estates Limited sold the freehold land at Singletons Farm to Tom Barron Limited for £60,000

Tom Barron (1978) Pension Scheme

The members of the scheme are F B Leeming, K W Leeming, N W Leeming, P N Leeming and M B Tomlinson

Transactions with the pension scheme during the year and balances at 30th June 2013 were

	GROUP	COMPANY
	£	£
Other operating income - management charge	16,250	16,250
Operating charges - rent	123,628	9,000
Operating charges - loan interest payable	47,184	36,334
Other debtors	288,381	288,381
Loan - due within one year	310,000	-

During the year Tom Barron (1978) Pension Scheme purchased a hatchery from Tom Barron Limited for £1,400,000 based on the open market value obtained from SHP Valuers Limited, Chartered Surveyors, on 18th June 2013

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

22. SHARE CAPITAL

Authorised share capital

	2 0 1 3	2 0 1 2
	£	£
20,000 ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

Allotted, called up and fully paid.

	2 0 1 3		2 0 1 2	
	No	£	No	£
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

23 RESERVES

Group

**Profit and
loss account
£**

Balance brought forward	665,349
Loss for the year	<u>(42,752)</u>
Balance carried forward	<u>622,597</u>

Company

**Profit and
loss account
£**

Balance brought forward	667,428
Loss for the year	<u>(44,823)</u>
Balance carried forward	<u>622,605</u>

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2 0 1 3	2 0 1 2
	£	£
Loss for the financial year after taxation	(42,752)	(201,633)
Opening shareholders' funds	<u>685,349</u>	<u>886,982</u>
Closing shareholders' funds	<u>642,597</u>	<u>685,349</u>

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

25. NOTES TO THE CASH FLOW STATEMENT

**RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH
(OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2013 £	2012 £
Operating loss	(849,256)	(55,449)
Amortisation	24,926	9,428
Depreciation	343,312	359,449
Decrease/(increase) in stocks	362,311	(364,947)
(Increase)/decrease in debtors	(215,830)	53,115
Increase in creditors	24,888	144,783
Net cash (outflow)/inflow from operating activities	<u>(309,649)</u>	<u>146,379</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2013 £	2012 £
Interest paid	(153,562)	(128,892)
Interest element of hire purchase	(8,747)	(17,292)
Net cash outflow from returns on investments and servicing of finance	<u>(162,309)</u>	<u>(146,184)</u>

CAPITAL EXPENDITURE

	2013 £	2012 £
Payments to acquire tangible fixed assets	(247,084)	(193,948)
Revision to cost of intangible asset	-	60,000
Receipts from sale of fixed assets	1,442,845	-
Net cash inflow/(outflow) from capital expenditure	<u>1,195,761</u>	<u>(133,948)</u>

FINANCING

	2013 £	2012 £
Increase in/(repayment of) bank loans	393,487	(66,397)
Repayment of secured loan	(1,038,128)	-
Capital element of hire purchase	(91,035)	(124,163)
Net (outflow)/inflow from other long-term creditors	(49,827)	422,696
Net cash (outflow)/inflow from financing	<u>(785,503)</u>	<u>232,136</u>

TOM BARRON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2013

25. NOTES TO THE CASH FLOW STATEMENT (continued)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2 0 1 3		2 0 1 2	
	£	£	£	£
(Decrease)/increase in cash in the period	(61,700)		98,383	
Net cash (inflow) from/outflow from bank loans	(393,487)		66,397	
Repayment of secured loan	1,038,128		—	
Cash outflow in respect of hire purchase	91,035		124,163	
Net cash outflow from/(inflow) from other long-term creditors	49,827		(422,696)	
		723,803		(133,753)
Change in net debt		723,803		(133,753)
Net debt at 1 July 2012		(3,920,227)		(3,786,474)
Net debt at 30 June 2013		(3,196,425)		(3,920,227)

ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2012 £	Cash flows £	At 30 June 2013 £
Net cash			
Cash in hand and at bank	240,690	(61,701)	178,989
Debt			
Debt due within 1 year	(63,849)	(287,613)	(351,462)
Debt due after 1 year	(3,890,332)	982,081	(2,908,251)
Hire purchase agreements	(206,736)	91,035	(115,701)
	(4,160,917)	785,503	(3,375,414)
Net debt	(3,920,227)	723,802	(3,196,425)

TOM BARRON LIMITED**DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH JUNE 2013**

	2 0 1 3		2 0 1 2	
	£	£	£	£
TURNOVER		11,908,017		12,413,822
Miscellaneous income		<u>100,744</u>		<u>92,553</u>
		12,008,761		12,506,375
OPERATING COSTS				
Cost of sales	(8,038,176)		(7,456,283)	
Depreciation written off fixed assets	(368,238)		(368,877)	
Other operating charges	(2,130,336)		(2,272,243)	
Staff costs	(2,321,267)		(2,464,421)	
		<u>(12,858,017)</u>		<u>(12,561,824)</u>
OPERATING LOSS		<u>(849,256)</u>		<u>(55,449)</u>
Exceptional item		<u>968,813</u>		<u>-</u>
		119,557		(55,449)
Interest payable and similar charges		<u>(162,309)</u>		<u>(146,184)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(42,752)</u>		<u>(201,633)</u>

TOM BARRON LIMITED**NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH JUNE 2013**

	2013 £	2012 £
COST OF SALES		
Incubation fees and rental of breeder sheds	66,800	66,800
Purchases	7,971,376	7,389,483
	<u>8,038,176</u>	<u>7,456,283</u>
STAFF COSTS		
Staff costs - national insurance	154,900	191,386
Staff costs - wages and salaries	2,165,367	2,267,158
Staff pension scheme	1,000	5,877
	<u>2,321,267</u>	<u>2,464,421</u>
OTHER OPERATING CHARGES		
Advertising	32,027	18,335
Audit and accountancy	49,800	49,800
Bad debts	77,199	48,380
Bank charges	33,627	22,501
Cleaning materials and shavings	119,216	160,617
Consultancy fees	14,196	18,802
Heat, light and power	442,147	495,662
Insurances	108,818	111,587
Legal and professional	14,958	15,944
Miscellaneous	65,550	83,958
Motor	527,539	538,851
Printing and stationery	20,962	18,445
Rates and water	75,409	72,646
Rent	128,011	137,220
Repairs and renewals	175,477	223,895
Staff private patients' plan	32,843	28,587
Subscriptions	8,590	11,837
Telephone	19,308	26,462
Travelling	61,685	59,573
Vehicle leasing charges	122,974	129,141
	<u>2,130,336</u>	<u>2,272,243</u>
INTEREST PAYABLE AND SIMILAR CHARGES		
Bank interest	10,513	11,975
Hire purchase and finance lease charges	8,747	17,292
Loan interest	138,868	111,077
Other interest	4,181	5,840
	<u>162,309</u>	<u>146,184</u>