

BROADLAND HAMS (NORFOLK) LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

BROADLAND HAMS (NORFOLK) LTD

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BROADLAND HAMS (NORFOLK) LTD

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED
STATUTORY FINANCIAL STATEMENTS OF BROADLAND HAMS (NORFOLK) LTD
FOR THE YEAR ENDED 31 DECEMBER 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Broadland Hams (Norfolk) Ltd for the year ended 31 December 2016 which comprise the Balance Sheet and the related notes from the Company accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Broadland Hams (Norfolk) Ltd, as a body, in accordance with the terms of our engagement letter dated 5 November 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Broadland Hams (Norfolk) Ltd and state those matters that we have agreed to state to the Board of Directors of Broadland Hams (Norfolk) Ltd, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Broadland Hams (Norfolk) Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Broadland Hams (Norfolk) Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of Broadland Hams (Norfolk) Ltd. You consider that Broadland Hams (Norfolk) Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Broadland Hams (Norfolk) Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

M+A Partners LLP

7, The Close
Norwich
Norfolk
NR1 4DJ
28 September 2017

BROADLAND HAMS (NORFOLK) LTD
REGISTERED NUMBER: 01459278

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	5	497,544	435,125
		<u>497,544</u>	<u>435,125</u>
Current assets			
Stocks	6	146,284	117,620
Debtors: amounts falling due within one year	7	492,078	404,727
Cash at bank and in hand		265,714	270,989
		<u>904,076</u>	<u>793,336</u>
Creditors: amounts falling due within one year	8	(473,850)	(364,837)
Net current assets		<u>430,226</u>	<u>428,499</u>
Total assets less current liabilities		<u>927,770</u>	<u>863,624</u>
Creditors: amounts falling due after more than one year	9	(16,100)	(29,395)
Provisions for liabilities			
Deferred tax		(93,152)	(82,359)
		<u>(93,152)</u>	<u>(82,359)</u>
Net assets		<u><u>818,518</u></u>	<u><u>751,870</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		817,518	750,870
		<u><u>818,518</u></u>	<u><u>751,870</u></u>

BROADLAND HAMS (NORFOLK) LTD
REGISTERED NUMBER: 01459278

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2017.

Mr Edward John Porter

Director

The notes on pages 4 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

The Company is a private company incorporated in the United Kingdom and limited by shares. It is registered in England and Wales. The address of its registered office is Little Melton Food Park, Little Melton Road, Beckhithe, Little Melton, Norwich, Norfolk, NR9 3NP.

The company's principal activity is that of the processing and preserving of meat.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements for the year ended 31 December 2016 are the company's first financial statements that comply with FRS 102. The company's date of transition to FRS 102 is 1 January 2015. The company's last financial statements prepared in accordance with previous UK GAAP were for the year ended 31 December 2015.

The principal accounting policies adopted in the preparation of the financial statements are set out below, remain unchanged from the previous year and have been consistently applied within the same accounts.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis.

Depreciation is provided on the following basis:

Improvements to leasehold property	- 20% or 6.7% on cost
Plant and machinery	- 20% reducing balance
Motor vehicles	- 20% reducing balance
Office equipment	- 25% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss

2.5 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.7 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Other operating income

	2016	2015
	£	£
Government grants receivable	5,695	5,695
	<u>5,695</u>	<u>5,695</u>

4. Employees

The average monthly number of employees, including directors, during the year was 24 (2015 - 23).

BROADLAND HAMS (NORFOLK) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. Tangible fixed assets

	Improv to leasehold property £	Plant, fixtures & equipment £	Motor vehicles £	Office equipment £	Total £
Cost or valuation					
At 1 January 2016	67,570	510,883	83,611	11,278	673,342
Additions	-	186,704	-	6,949	193,653
Disposals	-	(1,870)	-	-	(1,870)
At 31 December 2016	67,570	695,717	83,611	18,227	865,125
Depreciation					
At 1 January 2016	20,478	174,883	35,715	7,141	238,217
Charge for the year on owned assets	12,044	100,469	9,579	4,101	126,193
Charge for the year on financed assets	-	3,830	-	-	3,830
Disposals	-	(659)	-	-	(659)
At 31 December 2016	32,522	278,523	45,294	11,242	367,581
Net book value					
At 31 December 2016	<u>35,048</u>	<u>417,194</u>	<u>38,317</u>	<u>6,985</u>	<u>497,544</u>
At 31 December 2015	<u>47,092</u>	<u>336,000</u>	<u>47,896</u>	<u>4,137</u>	<u>435,125</u>

6. Stocks

	2016 £	2015 £
Raw materials and consumables	146,284	117,620
	<u>146,284</u>	<u>117,620</u>

BROADLAND HAMS (NORFOLK) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. Debtors

	2016 £	2015 £
Trade debtors	467,523	369,265
Other debtors	15,124	13,911
Prepayments and accrued income	9,431	21,551
	<u>492,078</u>	<u>404,727</u>

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	422,434	318,110
Corporation tax	3,723	-
Other taxation and social security	8,898	5,649
Obligations under finance lease and hire purchase contracts	7,918	7,390
Other creditors	5,695	5,695
Accruals and deferred income	25,182	27,993
	<u>473,850</u>	<u>364,837</u>

9. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	4,712	12,312
Other creditors	11,388	17,083
	<u>16,100</u>	<u>29,395</u>

Secured loans

Hire purchase arrangements are secured on the asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

10. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	56,321	55,444
Later than 1 year and not later than 5 years	3,287	6,837
	<u>59,608</u>	<u>62,281</u>

11. Transactions with directors

As at 31 December 2016, the directors owed £720 (2015 - £2,202) to the company.

During the year the company the company advanced the director £918 and the director repaid £2,400 to the company.

This loan is included in other debtors due within one year in note 7 to the financial statements and is repayable on demand.

During the year, the directors received dividends of £15,115 (2015 - NIL).

12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.