



KIRWIN BROTHERS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Company Registration No. 2388808 (England and Wales)

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KIRWIN BROTHERS LIMITED

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KIRWIN BROTHERS LIMITED

COMPANY INFORMATION

Directors	G Kirwin L. Kirwin
Secretary	L. Kirwin
Company number	2388808
Registered office	North Quay Fish Docks Grimsby North East Lincolnshire DN31 3SY
Business address	North Quay Fish Docks Grimsby North East Lincolnshire DN31 3SY
Auditors	Forrester Boyd 26 South Saint Mary's Gate Grimsby North East Lincolnshire DN31 1LW
Bankers	Yorkshire Bank Plc 12 Bethlehem Street Grimsby North East Lincolnshire DN31 1JZ SME Invoice Finance Limited Kingfisher Business Centre Rawtenstall Near Rossdale BB4 8ES
Solicitors	Wilkin Chapman Town Hall Square Grimsby North East Lincolnshire DN31 1HE



KIRWIN BROTHERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2008

The directors present their report and financial statements for the year ended 30 June 2008.

Principal activities and review of the business

The principal activity of the company continued to be that of wholesale fish merchants.

The principal performance indicators of the business are turnover, gross profit and operating profit.

The company has continued to experience difficult conditions, with erratic fish supplies, falling Cod quotas, and rising fish prices generally. A strong sales performance and more favourable mix of species sold has enabled the company to sustain and improve turnover, and to enhance profit margins on the prime cost of fish. However, rising labour, utility and transport costs have proved challenging and have dampened this improvement.

After a period of sustained and significant investment in its factory operation, the company is now well positioned to provide improved processing efficiency and flexibility.

The principal risks and uncertainties faced by the company remain the availability and price of raw material fish supplies which affects the ability of the company to utilise factory capacity, achieve sales, and maintain operating profit margins.

The balance sheet position of the company at the year end shows an improvement in net assets, attributable to retained profits for the year. Working capital remains relatively tight, but this is a result of recent factory capital expenditure. The directors are hopeful that continued profitability and cash generation in the forthcoming year will help the company's cash flow and working capital position improve.

Results and dividends

The results for the year are set out on page 6.

Directors

The following directors have held office since 1 July 2007:

G Kirwin

L. Kirwin

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Forrester Boyd be reappointed as auditors of the company will be put to the Annual General Meeting.



KIRWIN BROTHERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2008

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors' are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company'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 company's auditors are aware of that information.

On behalf of the board

L. Kirwin
Director

19 January 2009



KIRWIN BROTHERS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF KIRWIN BROTHERS LIMITED

We have audited the financial statements of Kirwin Brothers Limited for the year ended 30 June 2008 set out on pages 6 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



KIRWIN BROTHERS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF KIRWIN BROTHERS LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

Forrester Boyd.

Forrester Boyd

19 January 2009

Chartered Accountants
Registered Auditor

26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW



KIRWIN BROTHERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 £	2007 £
Turnover	2	15,006,084	14,063,893
Cost of sales		(14,123,538)	(13,199,694)
Gross profit		882,546	864,199
Administrative expenses		(775,291)	(747,266)
Other operating income		89,725	97,218
Operating profit	3	196,980	214,151
Interest payable and similar charges	4	(109,693)	(90,719)
Profit on ordinary activities before taxation		87,287	123,432
Tax on profit on ordinary activities	5	(14,894)	(35,450)
Profit for the year	15	72,393	87,982

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.



KIRWIN BROTHERS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	6	875,113		796,867	
Investments	7	100		100	
		<u>875,213</u>		<u>796,967</u>	
Current assets					
Stocks	8	205,328		170,332	
Debtors	9	1,643,110		1,599,743	
Deferred tax asset	9	-		-	
Cash at bank and in hand		2,695		1,393	
		<u>1,851,133</u>		<u>1,771,468</u>	
Creditors: amounts falling due within one year	10	<u>(1,999,558)</u>		<u>(1,894,481)</u>	
Net current liabilities		<u>(148,425)</u>		<u>(123,013)</u>	
Total assets less current liabilities		<u>726,788</u>		<u>673,954</u>	
Creditors: amounts falling due after more than one year	11	(61,157)		(95,030)	
Provisions for liabilities	12				
Deferred tax liability		(115,014)		(100,700)	
		<u>550,617</u>		<u>478,224</u>	
Capital and reserves					
Called up share capital	14	10,000		10,000	
Profit and loss account	15	540,617		468,224	
Shareholders' funds	16	<u>550,617</u>		<u>478,224</u>	

Approved by the Board and authorised for issue on 19 January 2009

L. Kirwin
Director



KIRWIN BROTHERS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	£	2008 £	£	2007 £
Net cash inflow from operating activities		196,576		308,534
Returns on investments and servicing of finance				
Interest paid	(109,693)		(90,719)	
Net cash outflow for returns on investments and servicing of finance		(109,693)		(90,719)
Taxation		(1,601)		(23)
Capital expenditure				
Payments to acquire tangible assets	(167,708)		(163,010)	
Receipts from sales of intangible assets	-		4,995	
Receipts from sales of tangible assets	-		13,000	
Net cash outflow for capital expenditure		(167,708)		(145,015)
Net cash (outflow)/inflow before management of liquid resources and financing		(82,426)		72,777
Financing				
Capital element of hire purchase contracts	(50,476)		(72,309)	
Net cash outflow from financing		(50,476)		(72,309)
(Decrease)/increase in cash in the year		<u>(132,902)</u>		<u>468</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

1	Reconciliation of operating profit to net cash inflow from operating activities	2008	2007
		£	£
	Operating profit	196,980	214,151
	Depreciation of tangible assets	89,462	88,167
	Increase in stocks	(34,996)	(65,639)
	Increase in debtors	(45,050)	(138,073)
	(Decrease)/Increase in creditors within one year	(9,820)	209,928
	Net cash inflow from operating activities	196,576	308,534

2	Analysis of net debt	1 July 2007	Cash flow	Other non-cash changes	30 June 2008
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,393	1,302	-	2,695
	Bank overdrafts	(635,228)	(134,204)	-	(769,432)
		<u>(633,835)</u>	<u>(132,902)</u>	<u>-</u>	<u>(766,737)</u>
	Debt:				
	Finance leases	(182,619)	50,476	-	(132,143)
	Net debt	(816,454)	(82,426)	-	(898,880)

3	Reconciliation of net cash flow to movement in net debt	2008	2007
		£	£
	(Decrease)/increase in cash in the year	(132,902)	468
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	50,476	(5,309)
	Movement in net debt in the year	(82,426)	(4,841)
	Opening net debt	(816,454)	(811,613)
	Closing net debt	(898,880)	(816,454)



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

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 accounting standards.

1.3 Turnover

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

1.4 Goodwill

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

1.5 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:

Land and buildings Leasehold	5% straight line
Plant and machinery	10% - 50% per annum of net book value, or 25% - 30% straight line

1.6 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Stock

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

1.9 Pensions

The company 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.

1.10 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

2 Turnover

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

3 Operating profit	2008 £	2007 £
Operating profit is stated after charging:		
Depreciation of tangible assets	89,462	88,167
Operating lease rentals		
- Plant and machinery	4,000	12,000
- Other assets	42,766	42,521
Auditors' remuneration (including expenses and benefits in kind)	6,175	5,500

4 Interest payable	2008 £	2007 £
On invoice discounting facility	91,854	72,562
Hire purchase interest	13,339	12,532
Other interest	4,500	5,625
	109,693	90,719



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

5	Taxation	2008 £	2007 £
	Domestic current year tax		
	U.K. corporation tax	4,696	7,400
	Adjustment for prior years	(4,116)	-
		<hr/>	<hr/>
	Current tax charge	580	7,400
	Deferred tax		
	Deferred tax charge/credit current year	14,314	28,050
		<hr/>	<hr/>
		14,894	35,450
		<hr/>	<hr/>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	87,287	123,432
		<hr/>	<hr/>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.25% (2007 - 19.25%)	17,676	23,761
		<hr/>	<hr/>
	Effects of:		
	Non deductible expenses	1,552	145
	Depreciation add back	18,116	16,972
	Capital allowances	(32,648)	(33,506)
	Adjustments to previous periods	(4,116)	-
	Marginal relief / rounding	-	28
		<hr/>	<hr/>
		(17,096)	(16,361)
		<hr/>	<hr/>
	Current tax charge	580	7,400
		<hr/>	<hr/>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

6 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Total
	£	£	£
Cost			
At 1 July 2007	119,129	1,146,781	1,265,910
Additions	11,096	156,612	167,708
Disposals	-	(28,974)	(28,974)
At 30 June 2008	130,225	1,274,419	1,404,644
Depreciation			
At 1 July 2007	26,020	443,023	469,043
On disposals	-	(28,974)	(28,974)
Charge for the year	6,606	82,856	89,462
At 30 June 2008	32,626	496,905	529,531
Net book value			
At 30 June 2008	97,599	777,514	875,113
At 30 June 2007	93,109	703,758	796,867

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

	Plant and machinery £
Net book values	
At 30 June 2008	283,430
At 30 June 2007	280,563
Depreciation charge for the year	
At 30 June 2008	30,172
At 30 June 2007	28,035



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

7 Fixed asset investments

	Shares in participating interests £
Cost	
At 1 July 2007 & at 30 June 2008	100
Net book value	
At 30 June 2008	100
At 30 June 2007	100

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	Class	Shares held %
Subsidiary undertakings			
Meldrum Fish Sales Limited	UK	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2008 £	Profit/(loss) for the year 2008 £
	Principal activity		
Meldrum Fish Sales Limited	Dormant Company	100	-

8 Stocks

	2008 £	2007 £
Finished goods and goods for resale	205,328	170,332



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

9 Debtors	2008 £	2007 £
Trade debtors	1,464,848	1,437,551
Corporation tax	-	1,683
Other debtors	103,884	104,169
Prepayments and accrued income	74,378	56,340
	<u>1,643,110</u>	<u>1,599,743</u>

An amount of £1,370,631 (2007 - £1,463,116) within trade debtors is subject to an invoice discounting arrangement.

10 Creditors: amounts falling due within one year	2008 £	2007 £
Bank loans and overdrafts	769,432	635,228
Net obligations under hire purchase contracts	70,986	87,589
Trade creditors	974,140	934,185
Corporation tax	4,696	7,400
Other taxes and social security costs	38,055	49,060
Directors' current accounts	6,081	7,404
Other creditors	90,000	114,000
Accruals and deferred income	46,168	59,615
	<u>1,999,558</u>	<u>1,894,481</u>

Bank loans and overdrafts include an advance from an invoice discounting company amounting to £605,691 (2007 : £565,475). This fluctuates on a daily basis and is secured by a fixed and floating charge over the company's assets. Personal guarantees have been given by G. Kirwin and L. Kirwin in respect of this debt, subject to a maximum of £50,000 each.

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

11 Creditors: amounts falling due after more than one year	2008 £	2007 £
Net obligations under hire purchase contracts	<u>61,157</u>	<u>95,030</u>

The aggregate amount of secured creditors is £901,575 (2007: £817,847).

Net obligations under hire purchase contracts

Repayable within one year	70,986	87,589
Repayable between one and five years	<u>61,157</u>	<u>95,030</u>
	132,143	182,619
Included in liabilities falling due within one year	<u>(70,986)</u>	<u>(87,589)</u>
	<u>61,157</u>	<u>95,030</u>

12 Provisions for liabilities

	Deferred tax liability £
Balance at 1 July 2007	100,700
Profit and loss account	<u>14,314</u>
Balance at 30 June 2008	<u>115,014</u>

The deferred tax liability is made up as follows:

	2008 £	2007 £
Accelerated capital allowances	<u>115,014</u>	<u>100,700</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

13 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2008 £	2007 £
Contributions payable by the company for the year	62,171	62,171

14 Share capital

	2008 £	2007 £
Authorised		
50,000 Ordinary of £1 each	50,000	50,000
Allotted, called up and fully paid		
10,000 Ordinary of £1 each	10,000	10,000

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2007	468,224
Profit for the year	72,393
Balance at 30 June 2008	540,617

16 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the financial year	72,393	87,982
Opening shareholders' funds	478,224	390,242
Closing shareholders' funds	550,617	478,224



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

17 Financial commitments

At 30 June 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2009:

	Land and buildings		Other	
	2008	2007	2008	2007
	£	£	£	£
Operating leases which expire:				
Within one year	-	-	2,400	47,100
Between two and five years	-	-	35,191	2,907
In over five years	15,088	15,088	-	-
	<u>15,088</u>	<u>15,088</u>	<u>37,591</u>	<u>50,007</u>

18 Directors' emoluments

	2008	2007
	£	£
Emoluments for qualifying services	72,816	79,514
Company pension contributions to money purchase schemes	59,771	59,771
	<u>132,587</u>	<u>139,285</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2007 - 2).



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

19 Transactions with directors

	Amount outstanding		Maximum
	2008	2007	in year
	£	£	£
Mr G Kirwin	19,403	-	19,403
Mr L Kirwin	-	-	(6,081)

In the course of the year, Mr G Kirwin had an overdrawn loan account with the company, the maximum amount of which is shown above. The opening and closing balances on this loan account respectively were £1,657 owing by the company and £19,403 owing to the company. However, this balance was repaid within 9 months of the year end.

During the year sales amounting to £169,800 (2007 - £234,220) were made to Surrey Fish Company Limited, a company in which Mr G Kirwin and Mr L Kirwin each own 37.5% of the issued share capital. Administration charges amounting to £8,750 (2007 - £15,000) were also raised to the same company. At the balance sheet date, Surrey Fish Company owed Kirwin Brothers Limited £5,692 in respect of these transactions.

20 Employees

Number of employees

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

	2008 Number	2007 Number
Sales	5	5
Administration	3	3
Production	79	71
	<u>87</u>	<u>79</u>

Employment costs

	2008 £	2007 £
Wages and salaries	1,709,259	1,510,706
Social security costs	171,411	150,814
Other pension costs	62,171	62,171
	<u>1,942,841</u>	<u>1,723,691</u>

21 Control

The company is controlled by the directors who each own 50% of the issued share capital.



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

22 Related party transactions

The following related party transactions occurred during the year.

Sales amounting to £22,137 (2007 - £27,645) were made to Igloo Seafoods (Louth), an unincorporated business operated and controlled by Mrs J P Kirwin, the mother of the directors. At the balance sheet date there was an amount owing to the company of £4,000 (2007 - £1,802).

The company has received an unsecured personal loan from Mrs J P Kirwin. The balance outstanding at the balance sheet date, and included within other creditors, amounted to £90,000 (2007 - £90,000). Interest charges of £6,525 (2007 - £5,625) were paid to Mrs Kirwin on this loan during the year.