

Kirwin Brothers Limited

Directors' Report and Financial Statements
for the Year Ended 30 June 2010

Forrester Boyd
Chartered Accountants
26 South Saint Mary's Gate
Grimsby
North East Lincolnshire
DN31 1LW

 Forrester Boyd



Praxity
ASSOCIATE
GLOBAL ALLIANCE OF
INDEPENDENT FIRMS



KIRWIN BROTHERS LIMITED

CONTENTS

	Page
Company Information	1
Directors' report	2-3
Profit and loss account	4
Balance sheet	5
Cash flow statement	6
Notes to the financial statements	7-18
Independent auditors' report	19-20



KIRWIN BROTHERS LIMITED

COMPANY INFORMATION

Directors	L Kirwin G Kirwin
Secretary	L Kirwin
Registered office	North Quay Fish Docks Grimsby North East Lincolnshire DN31 3SY
Solicitors	Wilkin Chapman P O Box 16 Town Hall Square Grimsby DN31 1HE
Bankers	Yorkshire Bank 12 Bethlehem Street Grimsby North East Lincolnshire DN31 1JZ SME Invoice Finance Limited Kingfisher Business Centre Rawtenstall Near Rossdale BB4 8ES
Accountants	Forrester Boyd Chartered Accountants 26 South Saint Mary's Gate Grimsby North East Lincolnshire DN31 1LW



KIRWIN BROTHERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2010

The directors present their report and the financial statements for the year ended 30 June 2010

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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and 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 company 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 enable them to ensure the financial statements comply with the Companies Act 2006. 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.

Principal activity

The principal activity of the company is that of wholesale fish merchants.

Business review

Fair review of the business

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. The investment in factory improvements in the year should help the company mitigate these risks going forward. Product and raw material can now be frozen and stored allowing the directors to buy higher quantities when prices are low and sell higher quantities when prices are high.

Development and performance of the business

	2010	2009	2008	2007	2006
Turnover	£19,143,755	£17,305,381	£15,064,584	£14,130,643	£13,826,743
Turnover growth	11%	15%	7%	2%	22%
Gross profit margin	5%	5%	6%	7%	6%
Profit before tax	£175,900	£160,440	£87,287	£123,432	£18,160

Position of the business

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.

Principal risks and uncertainties

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 margins.



KIRWIN BROTHERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2010

continued

Financial risk

Financial risk management objectives and policies

The balance sheet position of the company at the year end shows an improvement in net assets, attributable to retained profits in the year. Working capital remains relatively tight, but this is as 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 to improve.

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Results and dividend

The results for the company are set out in the financial statements.

An interim ordinary dividend of £32,900 was paid during the year.

Directors

The directors who held office during the year were as follows:

- L. Kirwin
- G. Kirwin

Approved by the Board on 8 September 2010 and signed on its behalf by


L. Kirwin
Director



KIRWIN BROTHERS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 £	2009 £
Turnover		19,143,755	17,305,381
Cost of sales		(18,125,461)	(16,372,273)
Gross profit		<u>1,018,294</u>	<u>933,108</u>
Administrative expenses		(799,823)	(713,094)
Other operating income	2	34,411	36,895
Operating profit	3	<u>252,882</u>	<u>256,909</u>
Interest payable and similar charges	6	(76,982)	(96,469)
Profit on ordinary activities before taxation		<u>175,900</u>	<u>160,440</u>
Tax on profit on ordinary activities	7	(38,622)	(6,714)
Profit for the financial year	17	<u><u>137,278</u></u>	<u><u>153,726</u></u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

The notes on pages 7 to 18 form an integral part of these financial statements

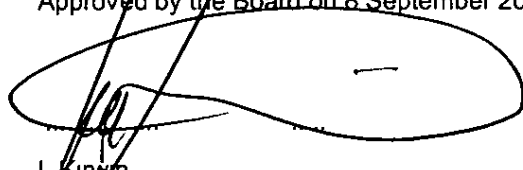


KIRWIN BROTHERS LIMITED

BALANCE SHEET AS AT 30 JUNE 2010

		2010		2009	
	Note	£	£	£	£
Fixed assets					
Tangible assets	8	1,305,996		940,559	
Investments	9	-		100	
		<u>1,305,996</u>		<u>940,659</u>	
Current assets					
Stocks	10	276,991	256,280		
Debtors	11	1,829,628	1,962,777		
Cash at bank and in hand		<u>1,750</u>	<u>3,918</u>		
		<u>2,108,369</u>	<u>2,222,975</u>		
Creditors. Due within one year	12	<u>(2,329,087)</u>	<u>(2,341,854)</u>		
Net current liabilities		<u>(220,718)</u>		<u>(118,879)</u>	
Total assets less current liabilities		1,085,278		821,780	
Creditors' Amounts falling due after more than one year	13	(148,088)		(21,394)	
Provisions for liabilities	14	<u>(128,469)</u>		<u>(96,043)</u>	
Net assets		<u>808,721</u>		<u>704,343</u>	
Capital and reserves					
Called up share capital	16	10,000		10,000	
Profit and loss reserve	17	<u>798,721</u>		<u>694,343</u>	
Shareholders' funds	18	<u>808,721</u>		<u>704,343</u>	

Approved by the Board on 8 September 2010 and signed on its behalf by


L. Kirwin
Director



KIRWIN BROTHERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

		2010	2009
	Note	£	£
Net cash flow from operating activities	20	475,580	9,235
Returns on investment and servicing of finance	21	(76,982)	(96,469)
Taxation	21	(25,626)	(4,755)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(509,964)	(178,199)
Sale of tangible fixed assets		6,000	3,039
		<u>(503,964)</u>	<u>(175,160)</u>
Equity dividends paid		(32,900)	-
Cash outflow before management of liquid resources and financing		<u>(163,892)</u>	<u>(267,149)</u>
Financing			
Increase in loans and borrowings		-	97,500
Repayment of loans and borrowings		70,622	-
Capital element of finance lease/HP contract rental payments		(65,675)	(45,630)
		<u>4,947</u>	<u>51,870</u>
Decrease in cash		<u>(158,945)</u>	<u>(215,279)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

		2010	2009
	Note	£	£
Decrease in cash in the year	22	(158,945)	(215,279)
Cash inflow from increase in debt and lease financing		(4,947)	(51,870)
Change in net funds resulting from cash flows		<u>(163,892)</u>	<u>(267,149)</u>
Net debt at the start of the year	22	<u>(1,166,029)</u>	<u>(898,880)</u>
Net debt at the end of the year	22	<u>(1,329,921)</u>	<u>(1,166,029)</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Land and buildings	5% straight line
Plant and machinery	10%-50% reducing balance, or 25%-30% straight line
Motor vehicles	25% straight line

Fixed asset investments

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

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

Hire purchase and finance lease contracts

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 Other operating income

	2010 £	2009 £
Rent receivable	<u>34,411</u>	<u>36,895</u>

3 Operating profit

Operating profit is stated after charging/(crediting)

	2010 £	2009 £
Hire of plant and machinery - operating leases	-	969
Hire of other assets - operating leases	50,095	43,710
The audit of the company's annual accounts	6,750	6,500
(Profit)/loss on disposal of tangible fixed assets	(64)	1,359
Depreciation of owned assets	<u>138,691</u>	<u>108,355</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	2010 No.	2009 No.
Production	85	84
Sales	5	5
Administration	3	3
Management	2	2
	<u>95</u>	<u>94</u>

The aggregate payroll costs of these persons were as follows

	2010 £	2009 £
Wages and salaries	2,185,809	2,179,377
Other pension costs	62,400	62,381
	<u>2,248,209</u>	<u>2,241,758</u>

5 Directors' remuneration

The directors' remuneration for the year are as follows

	2010 £	2009 £
Directors' remuneration (including benefits in kind)	35,828	84,058
Directors' money purchase schemes	60,000	59,981
	<u>95,828</u>	<u>144,039</u>

During the year the number of directors who were accruing benefits under company pension schemes was as follows

	2010 No.	2009 No.
Money purchase	<u>2</u>	<u>2</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

6 Interest payable and similar charges

	2010 £	2009 £
Interest on bank borrowings	61,122	77,231
Other interest payable	4,500	4,500
Finance charges	11,360	14,738
	<u>76,982</u>	<u>96,469</u>

7 Taxation

Analysis of current period tax charge

	2010 £	2009 £
Current tax		
Corporation tax charge	6,196	25,626
(Over)/under provision in previous year	-	59
UK Corporation tax	<u>6,196</u>	<u>25,685</u>

Deferred tax

Origination and reversal of timing differences	<u>32,426</u>	<u>(18,971)</u>
--	---------------	-----------------

Total tax on profit on ordinary activities

	<u>38,622</u>	<u>6,714</u>
--	---------------	--------------

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is lower than (2009 - lower than) the standard rate of corporation tax in the UK of 21.00% (2009 - 21.00%)

The differences are reconciled below

	2010 £	2009 £
Profit on ordinary activities before taxation	<u>175,900</u>	<u>160,440</u>
Standard rate corporation tax charge	36,939	33,692
Expenses not deductible for tax purposes (including goods)	117	493
Accelerated capital allowances	(59,971)	(31,314)
Adjustments to prior periods	-	59
Depreciation add back	29,125	22,755
Other differences	(14)	-
Total current tax for the year	<u>6,196</u>	<u>25,685</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

8 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
As at 1 July 2009	172,044	1,384,515	-	1,556,559
Additions	105,142	388,583	16,239	509,964
Disposals	(1,720)	(15,065)	(7,000)	(23,785)
As at 30 June 2010	<u>275,466</u>	<u>1,758,033</u>	<u>9,239</u>	<u>2,042,738</u>
Depreciation				
As at 1 July 2009	38,997	577,003	-	616,000
Eliminated on disposals	(1,720)	(15,065)	(1,164)	(17,949)
Charge for the year	11,346	125,602	1,743	138,691
As at 30 June 2010	<u>48,623</u>	<u>687,540</u>	<u>579</u>	<u>736,742</u>
Net book value				
As at 30 June 2010	<u>226,843</u>	<u>1,070,493</u>	<u>8,660</u>	<u>1,305,996</u>
As at 30 June 2009	<u>133,047</u>	<u>807,512</u>	<u>-</u>	<u>940,559</u>

Land and buildings

The net book value of land and buildings includes

	Land and buildings	
	2010 £	2009 £
Freehold	226,843	41,819
Short leasehold	-	91,228
	<u>226,843</u>	<u>133,047</u>

Hire purchase agreements

Included within the total net book value of tangible fixed assets is £86,330 (2009 - £241,930) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £17,042 (2009 - £38,202)



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

9 Investments held as fixed assets

	Shares in group undertakings £
Cost	
As at 1 July 2009	100
Disposals	(100)
As at 30 June 2010	-
Net book value	
As at 30 June 2010	-
As at 30 June 2009	100

Meldrum Limited, which was a dormant company, has been struck off in the year

10 Stocks and work in progress

	2010 £	2009 £
Stocks	276,991	256,280

11 Debtors

	2010 £	2009 £
Trade debtors	1,654,010	1,782,940
Other debtors	96,867	108,489
Prepayments and accrued income	78,751	71,348
	1,829,628	1,962,777



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

12 Creditors Amounts falling due within one year

	2010 £	2009 £
Bank loans and overdrafts	1,166,711	1,083,434
Obligations under finance leases and hire purchase contracts	16,872	65,119
Trade creditors	875,774	974,718
Corporation tax	6,196	25,626
Taxation and social security	49,361	36,682
Other creditors	127,945	116,422
Director current accounts	17,722	17,722
Accruals and deferred income	68,506	22,131
	<u>2,329,087</u>	<u>2,341,854</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company

	2010 £	2009 £
Bank loan	24,000	97,500
Hire purchase	16,872	65,119
Bank overdraft	1,142,711	985,934
	<u>1,183,583</u>	<u>1,148,553</u>

Bank loans and overdrafts include an advance from an invoice discounting company amounting to £811,293 (2009 812,729) 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

Hire purchase contracts are secured on the assets they finance



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

13 Creditors: Amounts falling due after more than one year

	2010 £	2009 £
Bank loans and overdrafts	144,122	-
Obligations under finance leases and hire purchase contracts	3,966	21,394
	<u>148,088</u>	<u>21,394</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company

	2010 £	2009 £
Bank loan	174,122	-
Hire purchase	3,966	21,394
	<u>178,088</u>	<u>21,394</u>

Included in the creditors are the following amounts due after more than five years

	2010 £	2009 £
After more than five years by instalments	<u>48,122</u>	<u>-</u>

14 Provisions for liabilities

	Deferred tax provision £
As at 1 July 2009	96,043
Deferred tax provision charged to the profit and loss account	32,426
As at 30 June 2010	<u>128,469</u>

Deferred tax

Deferred tax is provided at 21.00% (2009 - 21.00%)

	2010 £	2009 £
Taxation timing differences	<u>128,469</u>	<u>96,043</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

15 Pension scheme

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £62,400 (2009 - £62,381).

16 Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
Equity		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

17 Reserves

	Profit and loss reserve £
Balance at 1 July 2009	694,343
Transfer from profit and loss account for the year	137,278
Dividends	(32,900)
Balance at 30 June 2010	<u>798,721</u>

18 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit attributable to members of the company	137,278	153,726
Dividends	(32,900)	-
	<u>104,378</u>	<u>153,726</u>
Opening shareholders' funds	<u>704,343</u>	<u>550,617</u>
Closing shareholders' funds	<u>808,721</u>	<u>704,343</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

19 Operating lease commitments

As at 30 June 2010 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	Land and Buildings		Other	
	2010 £	2009 £	2010 £	2009 £
Within one year	-	-	-	24,965
Within two and five years	-	-	36,915	-
Over five years	17,985	17,985	-	-
	<u>17,985</u>	<u>17,985</u>	<u>36,915</u>	<u>24,965</u>



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

20 Reconciliation of operating profit to operating cash flows

	2010 £	2009 £
Operating profit	252,882	256,909
Depreciation, amortisation and impairment charges	138,691	108,355
(Profit)/loss on disposal of fixed assets	(64)	1,359
Increase in stocks	(20,711)	(50,952)
Decrease/(increase) in debtors	133,149	(319,667)
(Decrease)/increase in creditors	(28,367)	13,231
Net cash inflow from operating activities	475,580	9,235

21 Analysis of cash flows

	2010 £	2009 £
Returns on investment and servicing of finance		
HP interest paid	(11,360)	(14,738)
Other interest paid	(65,622)	(81,731)
	(76,982)	(96,469)
Taxation		
Taxation paid	(25,626)	(4,755)

22 Analysis of net debt

	At start of period £	Cash flow £	At end of period £
Cash at bank and in hand	3,918	(2,168)	1,750
Bank overdraft	(985,934)	(156,777)	(1,142,711)
Cash and bank net funds	(982,016)	(158,945)	(1,140,961)
Debt due within one year	(97,500)	(70,622)	(168,122)
Debt due after one year	-	-	-
Finance leases and hire purchase contracts	(86,513)	65,675	(20,838)
Change in debt	(184,013)	(4,947)	(188,960)
Net debt	(1,166,029)	(163,892)	(1,329,921)



KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

continued

23 Related parties

Controlling entity

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

Related party transactions

Sales amounting to £16,023 (2009 £18,602) and purchases of £8,280 (2009 £8,280) were made to/from 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 £6,105 (2009 £Nil)

At the balance sheet date there was also a balance owing to the company of £37,125 (2009 £37,125) from Divineskills Limited, a company controlled by Mr L Kirwin and Mr G Kirwin

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 (2009 £90,000). Interest charges of £3,825 (2009 £4,275) were paid to Mrs Kirwin on this loan during the year.

The following dividends were paid to the directors in the year

- L Kirwin £16,450
- G Kirwin £16,450

Directors' advances

The following balances owed to the directors were outstanding at the year end

	Maximum Balance £	2010 £	2009 £
Mr G Kirwin	-	-	-
Mr L Kirwin	17,722	17,722	17,722
	<u>17,722</u>	<u>17,722</u>	<u>17,722</u>

No interest is charged in respect of these balances

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KIRWINS BROTHERS LIMITED



We have audited the financial statements of Kirwin Brothers Limited for the year ended 30 June 2010, set out on pages 7 to 19. 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 Sections 495 and 496 of the Companies Act 2006. Our 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 page 2, 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 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 (APB'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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2010 and of its 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KIRWINS BROTHERS LIMITED



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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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

Kevin Hopper
Senior Statutory Auditor

for and on behalf of
Forrester Boyd, Statutory
Auditor

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

9 September 2010