

KIRWIN BROTHERS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

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

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KIRWIN BROTHERS LIMITED

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KIRWIN BROTHERS LIMITED

COMPANY INFORMATION

Directors L Kirwin
G Kirwin

Company secretary L Kirwin

Registered office North Quay
Fish Docks
Grimsby
North East Lincolnshire
DN31 3SY

Solicitors Wilkin Chapman Grange
New Oxford House
Town Hall Square
Grimsby
North East Lincolnshire
DN31 1EY

Bankers Yorkshire Bank
12 Bethlehem Street
Grimsby
N E Lincolnshire
DN31 1JZ

SME Invoice Finance Limited
Hallamshire House
Meadowcourt
5 Hayland Street
Sheffield
S9 1BY

Auditors Forrester Boyd
Chartered Accountants
26 South Saint Mary's Gate
Grimsby
N E Lincolnshire
DN31 1LW

KIRWIN BROTHERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2015

The directors present their strategic report for the year ended 30 June 2015.

Business review

Fair review of the business

Another excellent year of trading for the company has seen turnover growth of nearly 8% achieved meaning sales have increased by £5m over the last 2 years, even after the hive out of the successful MW Seafoods division at the beginning of the previous year.

Gross profit has remained fairly consistent at 6% which reflects a good years trading and sensible management of the purchase of raw materials.

The company continues to work closely with its customers in order to maintain the good relationships that have facilitated the growth in recent years and the knowledge and expertise of the directors within the industry provides the company with an excellent opportunity to grow these relationships further.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2015	2014
Turnover	£	29,205,924	27,173,955
Gross profit margin	%	6	7
Profit before tax	£	413,716	430,926

The business is now in a very strong position with continued growth over a number of years. In these years of profitability the high level of re-investment in assets has added to the potential for further growth in the operation.

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.

Approved by the Board on 5 November 2015 and signed on its behalf by:


.....
L. Kirwin
Director

KIRWIN BROTHERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2015

The directors present their report and the financial statements for the year ended 30 June 2015.

Directors of the company

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

L Kirwin

G Kirwin

Financial instruments

Objectives and policies

The company uses financial instruments, other than derivatives, comprising cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

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 business cash balances are held in such a way that achieves a competitive rate of interest.

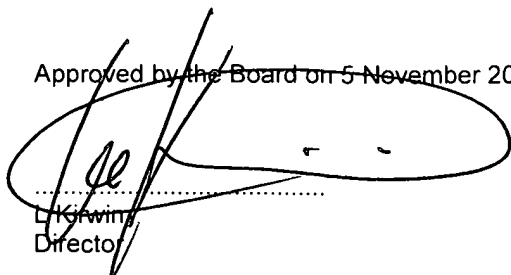
Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

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

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Approved by the Board on 5 November 2015 and signed on its behalf by:



.....
L Kirwin
Director

KIRWIN BROTHERS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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; and
- 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 that 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIRWIN BROTHERS LIMITED

We have audited the financial statements of Kirwin Brothers Limited for the year ended 30 June 2015, set out on pages 7 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 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 (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. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2015 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

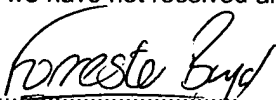
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIRWIN BROTHERS LIMITED

..... **CONTINUED**

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 ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

26 South Saint Mary's Gate
Grimsby
N E Lincolnshire
DN31 1LW

5 November 2015

KIRWIN BROTHERS LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 £	2014 £
Turnover		29,205,924	27,173,955
Cost of sales		<u>(27,563,977)</u>	<u>(25,331,916)</u>
Gross profit		1,641,947	1,842,039
Administrative expenses		<u>(1,130,881)</u>	<u>(1,327,084)</u>
Operating profit	2	511,066	514,955
Interest payable and similar charges	5	<u>(97,350)</u>	<u>(84,029)</u>
Profit on ordinary activities before taxation		413,716	430,926
Tax on profit on ordinary activities	6	<u>(101,505)</u>	<u>(94,458)</u>
Profit for the financial year	15	<u>312,211</u>	<u>336,468</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.

KIRWIN BROTHERS LIMITED
(REGISTRATION NUMBER: 2388808)
BALANCE SHEET AT 30 JUNE 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible fixed assets	7	<u>2,218,626</u>	<u>1,789,245</u>
Current assets			
Stocks	8	1,126,786	543,992
Debtors	9	2,657,203	2,718,256
Cash at bank and in hand		<u>26,152</u>	<u>50</u>
		<u>3,810,141</u>	<u>3,262,298</u>
Creditors: Amounts falling due within one year	10	<u>(3,818,618)</u>	<u>(3,376,435)</u>
Net current liabilities		<u>(8,477)</u>	<u>(114,137)</u>
Total assets less current liabilities		<u>2,210,149</u>	<u>1,675,108</u>
Creditors: Amounts falling due after more than one year	11	(278,206)	(53,769)
Provisions for liabilities	12	<u>(279,043)</u>	<u>(193,890)</u>
Net assets		<u><u>1,652,900</u></u>	<u><u>1,427,449</u></u>
Capital and reserves			
Called up share capital	13	10,000	10,000
Profit and loss account	15	<u>1,642,900</u>	<u>1,417,449</u>
Shareholders' funds	16	<u><u>1,652,900</u></u>	<u><u>1,427,449</u></u>

Approved by the Board on 5 November 2015 and signed on its behalf by:


 L. Kirwin
 Director


 G. Kirwin
 Director

KIRWIN BROTHERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2015

Reconciliation of operating profit to net cash flow from operating activities

	2015 £	2014 £
Operating profit	511,066	514,955
Depreciation, amortisation and impairment charges	235,468	203,047
Loss on disposal of fixed assets	75,559	39,937
(Increase)/decrease in stocks	(582,794)	222,845
Decrease in debtors	61,053	394,456
Increase/(decrease) in creditors	398,139	(484,297)
Net cash inflow from operating activities	<u>698,491</u>	<u>890,943</u>

Cash flow statement

	2015 £	2014 £
Net cash inflow from operating activities	<u>698,491</u>	<u>890,943</u>
Returns on investments and servicing of finance		
HP and finance lease interest	(9,672)	(2,498)
Interest paid	<u>(87,678)</u>	<u>(81,531)</u>
	<u>(97,350)</u>	<u>(84,029)</u>
Taxation paid	<u>(65,063)</u>	<u>(63,760)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(323,508)	(400,022)
Sale of tangible fixed assets	<u>19,500</u>	<u>26,133</u>
	<u>(304,008)</u>	<u>(373,889)</u>
Equity dividends paid	<u>(86,760)</u>	<u>(86,760)</u>
Net cash inflow before management of liquid resources and financing	<u>145,310</u>	<u>282,505</u>
Financing		
Repayment of loans and borrowings	(30,000)	(30,289)
Repayment of capital element of finance leases and HP contracts	<u>(72,227)</u>	<u>(23,957)</u>
	<u>(102,227)</u>	<u>(54,246)</u>
Increase in cash	<u>43,083</u>	<u>228,259</u>

KIRWIN BROTHERS LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2015****..... CONTINUED****Reconciliation of net cash flow to movement in net debt**

	Note	2015 £	2014 £
Increase in cash		43,083	228,259
Cash outflow from repayment of loans		30,000	30,289
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		72,227	23,957
Change in net debt resulting from cash flows	19	145,310	282,505
 New finance leases		 (436,400)	 (70,000)
Movement in net debt	19	(291,090)	212,505
Net debt at 1 July	19	(1,086,740)	(1,299,245)
Net debt at 30 June	19	(1,377,830)	(1,086,740)

KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

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:

Asset class	Depreciation method and rate
Land and buildings	5% straight line basis
Plant and machinery	10-25% reducing balance or 30% straight line basis
Motor vehicles	25% straight line basis

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 tax

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.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Hire purchase and leasing

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

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 the shorter of the lease term and 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 the shorter of the lease term and 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 and represent a constant proportion of the balance of capital repayments outstanding.

KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

..... CONTINUED

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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

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

2 Operating profit

Operating profit is stated after charging:

	2015 £	2014 £
Operating leases - other assets	38,420	41,766
Auditor's remuneration	9,000	7,000
Loss on sale of tangible fixed assets	75,559	39,937
Depreciation of owned assets	199,101	188,942
Depreciation of assets held under finance lease and hire purchase contracts	36,367	14,105

3 Particulars of employees

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

	2015 No.	2014 No.
Administration and support	7	4
Production	138	121
Sales	5	5
Other departments	2	2
	152	132

The aggregate payroll costs were as follows:

	2015 £	2014 £
Wages and salaries	3,345,708	3,109,947
Social security costs	280,729	220,665
Staff pensions	88,089	135,677
	3,714,526	3,466,289

KIRWIN BROTHERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

..... *CONTINUED*

4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2015 £	2014 £
Remuneration (including benefits in kind)	24,552	26,982
Company contributions paid to money purchase schemes	<u>60,000</u>	<u>120,000</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2015 No.	2014 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

5 Interest payable and similar charges

	2015 £	2014 £
Interest on bank borrowings	83,328	77,031
Other interest payable	4,350	4,500
Finance charges	<u>9,672</u>	<u>2,498</u>
	<u>97,350</u>	<u>84,029</u>

6 Taxation

Tax on profit on ordinary activities

	2015 £	2014 £
Current tax		
Corporation tax charge	16,207	64,918
Adjustments in respect of previous years	<u>145</u>	<u>-</u>
UK Corporation tax	16,352	64,918
Deferred tax		
Origination and reversal of timing differences	<u>85,153</u>	<u>29,540</u>
Total tax on profit on ordinary activities	<u>101,505</u>	<u>94,458</u>

KIRWIN BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

..... CONTINUED

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20.75% (2014 - 22.5%).

The differences are reconciled below:

	2015 £	2014 £
Profit on ordinary activities before taxation	413,716	430,926
Corporation tax at standard rate	85,846	96,958
Accelerated capital allowances	(69,575)	(45,819)
Other differences	(1,814)	(2,804)
Expenses not deductible for tax purposes	1,850	1,297
Prior period adjustment	145	-
Changes in provisions	506	15,285
Profits chargeable at lower rate of tax	(608)	-
Total current tax	16,352	64,918

7 Tangible fixed assets

	Leasehold land and buildings £	Plant and machinery £	Total £
Cost or valuation			
At 1 July 2014	290,072	2,622,592	2,912,664
Additions	33,790	726,118	759,908
Disposals	-	(373,723)	(373,723)
At 30 June 2015	323,862	2,974,987	3,298,849
Depreciation			
At 1 July 2014	100,858	1,022,561	1,123,419
Charge for the year	8,873	226,595	235,468
Eliminated on disposals	-	(278,664)	(278,664)
At 30 June 2015	109,731	970,492	1,080,223
Net book value			
At 30 June 2015	214,131	2,004,495	2,218,626
At 30 June 2014	189,214	1,600,031	1,789,245

Finance lease assets

Included within the net book value of tangible fixed assets is £441,286 (2014 - £90,311) in respect of assets held under finance lease agreements. Depreciation for the year on these assets was £36,367 (2014 - £14,105).

KIRWIN BROTHERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

..... *CONTINUED*

8 Stocks

	2015 £	2014 £
Stocks	<u>1,126,786</u>	<u>543,992</u>

9 Debtors

	2015 £	2014 £
Trade debtors	2,491,970	2,524,017
Other debtors	75,607	97,199
Prepayments and accrued income	<u>89,626</u>	<u>97,040</u>
	<u>2,657,203</u>	<u>2,718,256</u>

10 Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	2,348,261	1,912,094
Bank loans and overdrafts	975,124	1,004,605
Obligations under finance lease and hire purchase contracts	150,652	28,416
Corporation tax	16,207	64,918
Other taxes and social security	43,807	46,804
Other creditors	149,210	154,746
Directors' current accounts	-	33,220
Accruals and deferred income	<u>135,357</u>	<u>131,632</u>
	<u>3,818,618</u>	<u>3,376,435</u>

KIRWIN BROTHERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

..... **CONTINUED**

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

	2015 £	2014 £
Bank loans and overdrafts	975,124	1,004,605
Obligations under finance leases and hire purchase contracts	150,652	28,416
	<u>1,125,776</u>	<u>1,033,021</u>

Bank loans and overdrafts include an advance from an invoice discounting company amounting to £957,624 (2014: £864,091), which fluctuates on a daily basis. The bank overdraft, loans and invoice discounting balance are secured by a fixed and floating charge over the company's assets. Personal guarantees have been given by Mr G Kirwin and Mr L Kirwin in respect of the invoice discounting facility, subject to a maximum of £100,000 each.

Hire purchase contracts are secured on the assets they finance.

11 Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Bank loans and overdrafts	-	17,500
Obligations under finance lease and hire purchase contracts	278,206	36,269
	<u>278,206</u>	<u>53,769</u>

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

	2015 £	2014 £
Bank loan	-	17,500
Obligations under finance leases and hire purchase contracts	278,206	36,269
	<u>278,206</u>	<u>53,769</u>

Obligations under finance leases and HP contracts

Amounts repayable:

	2015 £	2014 £
In one year or less on demand	150,652	28,416
Between one and two years	120,551	36,269
Between two and five years	157,655	-
	<u>428,858</u>	<u>64,685</u>

KIRWIN BROTHERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

..... CONTINUED

12 Provisions

	Deferred tax £	Total £
At 1 July 2014	193,890	193,890
Charged to the profit and loss account	<u>85,153</u>	<u>85,153</u>
At 30 June 2015	<u>279,043</u>	<u>279,043</u>

Analysis of deferred tax

	2015 £	2014 £
Difference between accumulated depreciation and amortisation and capital allowances	<u>279,043</u>	<u>193,890</u>

13 Share capital

Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
Ordinary of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

14 Dividends

	2015 £	2014 £
Dividends paid		
Current year interim dividend paid	<u>86,760</u>	<u>86,760</u>

15 Reserves

	Profit and loss account £	Total £
At 1 July 2014	1,417,449	1,417,449
Profit for the year	312,211	312,211
Dividends	<u>(86,760)</u>	<u>(86,760)</u>
At 30 June 2015	<u>1,642,900</u>	<u>1,642,900</u>

KIRWIN BROTHERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

..... *CONTINUED*

16 Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Profit attributable to the members of the company	312,211	336,468
Dividends	<u>(86,760)</u>	<u>(86,760)</u>
Net addition to shareholders' funds	225,451	249,708
Shareholders' funds at 1 July	<u>1,427,449</u>	<u>1,177,741</u>
Shareholders' funds at 30 June	<u><u>1,652,900</u></u>	<u><u>1,427,449</u></u>

17 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £88,089 (2014 - £135,677).

Contributions totalling £2,440 (2014 - £nil) were payable to the scheme at the end of the year and are included in creditors.

18 Commitments

Operating lease commitments

As at 30 June 2015 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2015 £	2014 £
Land and buildings		
Over five years	<u>22,000</u>	<u>20,166</u>

KIRWIN BROTHERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

..... *CONTINUED*

19 Analysis of net debt

	At 1 July 2014 £	Cash flow £	Other non-cash changes £	At 30 June 2015 £
Cash at bank and in hand	50	26,102	-	26,152
Bank overdraft	(974,605)	16,981	-	(957,624)
	(974,555)	43,083	-	(931,472)
Debt due within one year	(30,000)	12,500	-	(17,500)
Debt due after more than one year	(17,500)	17,500	-	-
Finance leases and hire purchase contracts	(64,685)	72,227	(436,400)	(428,858)
Net debt	(1,086,740)	145,310	(436,400)	(1,377,830)

20 Related party transactions

During the year the company made the following related party transactions:

Mr G Kirwin

(Director and Shareholder)

Dividends were paid to Mr G Kirwin during the year of £30,000 (2014: £30,000). At the balance sheet date the amount due to Mr G Kirwin was £nil (2014 - £27,125).

Mr L Kirwin

(Director and Shareholder)

Dividends were paid to Mr L Kirwin during the year of £30,000 (2014: £30,000). At the balance sheet date the amount due to Mr L Kirwin was £nil (2014 - £6,095).

Mrs S Kirwin

(Wife of L Kirwin and Shareholder)

Dividends were paid to Mrs S Kirwin during the year of £17,760 (2014: £17,760). At the balance sheet date the amount due to Mrs S Kirwin was £nil (2014 - £nil).

Mrs K Kirwin

(Wife of G Kirwin and Shareholder)

Dividends were paid to Mrs K Kirwin during the year of £9,000 (2014: £9,000). At the balance sheet date the amount due to Mrs K Kirwin was £nil (2014 - £nil).

Mrs J P Kirwin

(Mother of the directors)

Included within other creditors is an unsecured personal loan from Mrs J P Kirwin. Interest charges of £3,600 (2014: £3,600) were paid to Mrs Kirwin on this loan during the year. At the balance sheet date the amount due to Mrs J P Kirwin was £90,000 (2014 - £90,000).

Quayside Distribution Limited

(Divineskills owned shares in the company during the year.)

Sales amounting to £2,285 (2014: £79,521) and purchases of £299,757 (2014: £243,474) were made to/ from the business during the year. At the balance sheet date the amount due to Quayside Distribution Limited was £41,023 (2014 - £21,564).

KIRWIN BROTHERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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..... *CONTINUED*

MW Seafoods Limited

(L Kirwin and G Kirwin are directors and shareholders of this company)

Sales amounting to £321,918 (2014: £414,569) and purchases of £38,287 (2014: £67,777) were made to/ from the business during the year. At the balance sheet date the amount due from MW Seafoods Limited was £790 (2014 - £7,278).

21 Control

The company is controlled by the directors who own 100% of the called up share capital.