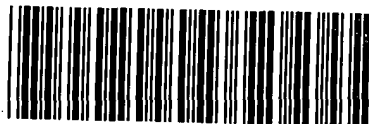


BRANSTON LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
27 JULY 2014

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BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

INDEX TO THE FINANCIAL STATEMENTS

PERIOD TO 27 JULY 2014

Page No.

1	Officers and Professional Advisers
2 – 5	The Directors' and Strategic Report
6	Statement of Directors' Responsibilities
7	Independent Auditor's Report to the Shareholders
8	Profit and Loss Account
9	Reconciliation of Movements in Shareholders' Funds
10	Balance Sheet
11 – 18	Notes to the Financial Statements

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

Graeme Beattie
John Lockwood
Julie McTurk
Mark Willcox

COMPANY SECRETARY

Julie McTurk

REGISTERED OFFICE

Mere Road
Branston
Lincoln
LN4 1NJ

Telephone 01522 794411
Fax 01522 793204
Website www.branston.com

AUDITORS

KPMG LLP
St Nicholas House
31 Park Row
Nottingham
NG1 6FQ

BANKERS

Lloyds Banking Group plc
202 High Street
Lincoln
LN5 7AP

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

THE DIRECTORS' REPORT

PERIOD TO 27 JULY 2014

The Directors present their Report and the Financial Statements of the Company for the period to 27 July 2014.

Principal activity and business review

The Company is engaged in the packing and marketing of fresh potatoes. The Company supplies own label products to major supermarket accounts as well as selling under its own Branston label. The Company also operates a prepared foods division supplying own label products to major supermarket accounts.

Results

The results for the Company are set out in summary as follows:

	2014 £'000	2013 £'000
Turnover	115,027	130,038
Operating profit	10,198	320
Profit on ordinary activities after tax	8,154	143

Directors

The Directors of the Company who served during the period were as follows:

Graeme Beattie

John Lockwood

Julie McTurk

Mark Willcox

Dividends

A dividend of £2,000,000 has been paid within the period (2013: £1.562,658).

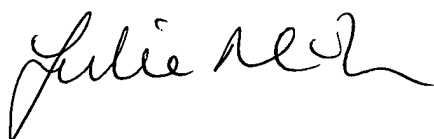
Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board:



JULIE McTURK
Company Secretary

14 October 2014

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

STRATEGIC REPORT

PERIOD TO 27 JULY 2014

Business review

Objectives

The Company's long term objective is to increase profitability in order to support continued investment in the Company and support future dividends to shareholders.

In pursuing this objective the Company intends to maintain sound financial management and avoid excessive risks.

Key business strategies

In pursuit of its objectives the Company has a number of key business strategies which have been successfully implemented over recent years.

We aim to secure increased sales through:

- Increasing product ranges with our existing customer base.
- The development of new customers in our core market.
- The development of new products and new market sectors.

We plan to improve our gross margin levels through development of new product ranges, reducing material purchase costs and improving manufacturing efficiencies.

We aim to have sufficient finance for our activities with access to additional funds to enable opportunities to be secured as they arise.

Strategy is constantly reviewed by the Board in the light of the Company's performance and changing market conditions to ensure it remains appropriate to achieve the Company's objectives.

Risks and uncertainties

The key risk areas of the Company are:

- Customer pricing affecting sales and gross margin.
- Loss of key customer accounts.
- Continuity of supply of good quality potatoes.

The Company seeks to manage as far as possible the key risks that it faces.

Customer pricing is under constant review and is managed through our sales team, which has been considerably strengthened in 2013-14. Excellent customer service and product quality as well as strong customer relations will continue to mitigate pricing pressures.

The Company's customer base has expanded in recent years, reducing the financial risks faced by the loss of a customer account.

The Company mitigates the raw material risk as much as possible through the use of contracts with growers and by investing in highly trained field services and quality assurance teams.

Having considered the above risks and uncertainties, the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

STRATEGIC REPORT (Continued)

PERIOD TO 27 JULY 2014

Having considered the above risks and uncertainties, the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Key performance indicators

The Company uses a number of financial measures to monitor progress against strategies and corporate objectives. These are summarised below:

	2014	2013
	£'000	£'000
Turnover	115,027	130,038
Operating profit	10,198	320
PBT	10,439	341

In addition to financial measures, the Board also monitors the Company's operations with the objective of ensuring that health and safety is at the core of all working practices. In measuring the success of this, the Board reviews the level of reported incidents and monitors the training being undertaken by all relevant employees.

During the year, performance has been satisfactory and as far as the Board is aware, this is likely to be the case in the forthcoming year.

Future prospects

The Board is confident that the Company's strategy will continue to deliver results that meet our shareholders' expectations in the years to come.

Turnover of the Company decreased when compared to the previous year, partially due to deflation experienced by the major supermarkets. However, operating profit was £10.198m (2013: £0.320m).

This growth in operating profit principally reflects the improvement of 94% achieved in gross profit during the year. This improvement relates to increased gross margins on existing customer accounts, through the reduction of raw material prices in the year.

The Company continues to place customer service at the head of its schedule of corporate objectives, and this strategy of providing superior service, alongside a competitive purchasing policy, will drive the Company towards its anticipated future success.

Employees

The Company employs a small number of disabled people and will continue to do so wherever possible, through recruitment, by retention of persons who become disabled during service and by appropriate training, career development and promotion. The Company endeavours to keep all employees informed of the progress and development of the business.

The Company seeks to ensure that all employees, job applicants and prospective job applicants, are afforded equality of job opportunity in all areas of employment.

The Company's Health & Safety Policy fully recognises the Company's responsibility for the health and safety of employees and members of the community in which they work.

The Company places considerable value on the involvement of its employees and has continued its practice of keeping them informed of matters affecting them as employees, and on various matters affecting the performance of the Company.

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

STRATEGIC REPORT (Continued)

PERIOD TO 27 JULY 2014

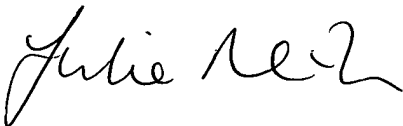
Environmental policy

The Company has an environmental policy which is fully supported by the Board of Directors.

We recognise that our product relies heavily on nature and our operations impact on the environment in a number of ways. We are committed to reducing these impacts wherever practically possible.

We are committed to our strong environmental credentials and extending our use of renewables to make our operations energy efficient and to reduce our energy costs. The policy is reviewed annually to ensure that we work to reduce our environmental impact by minimising the use of water, energy and other natural resources wherever possible. Where practicable, we aim to reduce waste to a minimum and ensure that, wherever possible, materials are reused or recycled.

By order of the Board:



JULIE McTURK
Company Secretary

14 October 2014

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

STATEMENT OF DIRECTORS' RESPONSIBILITIES

PERIOD TO 27 JULY 2014

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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:

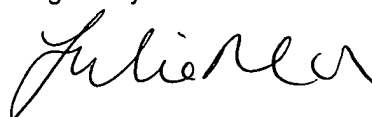
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Registered office:
Mere Road
Branston
Lincoln
LN4 1NJ

Signed by order of the directors



JULIE McTURK
Company Secretary

Approved by the directors on 14 October 2014

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS

PERIOD TO 27 JULY 2014

Independent auditor's report to the members of Branston Limited

We have audited the financial statements of Branston Limited for the period ended 27 July 2014 set out on pages 8 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 27 July 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with UK 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 the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.



KPMG LLP
St Nicholas House
31 Park Row
Nottingham NG1 6FQ
14 October 2014

CRAIG PARKIN (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Chartered Accountants & Statutory Auditor

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

PROFIT AND LOSS ACCOUNT**PERIOD TO 27 JULY 2014**

	Note	Period to 27 July 14 £'000	Period to 28 July 13 £'000
TURNOVER	2	115,027	130,038
Cost of sales		<u>(93,042)</u>	<u>(118,680)</u>
GROSS PROFIT		21,985	11,358
Distribution costs		(8,439)	(8,406)
Administrative expenses		<u>(3,348)</u>	<u>(2,632)</u>
OPERATING PROFIT	3	10,198	320
Profit on disposal of fixed assets		175	-
Income from fixed asset investments		<u>20</u>	<u>2</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION		10,393	322
Interest receivable		47	19
Interest payable	5	<u>(1)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,439	341
Tax on profit on ordinary activities	6	<u>(2,285)</u>	<u>(198)</u>
RETAINED PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>8,154</u>	<u>143</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 9 to 17 form part of these financial statements

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

PERIOD TO 27 JULY 2014

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Note	Period to 27 July 14 £'000	Period to 28 July 13 £'000
Profit for the financial period		8,154	143
Dividend	7	<u>(2,000)</u>	<u>(1,563)</u>
Net movement in shareholders' funds		6,154	(1,420)
Opening shareholders' funds		<u>20,896</u>	<u>22,316</u>
Closing shareholders' funds		<u>27,050</u>	<u>20,896</u>

The notes on pages 9 to 17 form part of these financial statements

BRANSTON LIMITED

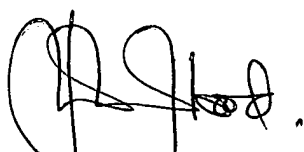
COMPANY REGISTRATION NUMBER 2889789


BALANCE SHEET

27 JULY 2014

	Notes	27 July 14		28 July 13	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	8		6,756		5,777
Investments	9		<u>17</u>		<u>190</u>
			6,773		5,967
CURRENT ASSETS					
Stocks	10	3,976		5,477	
Debtors	11	18,172		18,334	
Cash at bank and in hand		<u>9,612</u>		<u>3</u>	
		31,760		23,814	
CREDITORS: Amounts falling due within one year	12	<u>(11,452)</u>		<u>(8,842)</u>	
NET CURRENT ASSETS			<u>20,308</u>		<u>14,972</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			27,081		20,939
CREDITORS: Amounts falling due greater than one year	13		(31)		(42)
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	14		—		—
			<u>27,050</u>		<u>20,896</u>
CAPITAL AND RESERVES					
Called-up share capital	21		—		—
Share premium account	22		844		844
Profit and Loss account	23		<u>26,206</u>		<u>20,052</u>
SHAREHOLDERS' FUNDS			<u>27,050</u>		<u>20,896</u>

These financial statements were approved by the directors on 14 October 2014 and signed on their behalf by:


J.W. LOCKWOOD


JULIE McTURK

The notes on pages 9 to 17 form part of these financial statements

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

NOTES TO THE FINANCIAL STATEMENTS

PERIOD TO 27 JULY 2014

1. ACCOUNTING POLICIES

Basis of accounting

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

Consolidation and basis of preparation

As provided by s400 of the Companies Act 2006 the company is exempt from the requirement to prepare group accounts because it is a subsidiary of Branston Holdings Limited, and Branston Holdings Limited has drawn up group accounts which include the accounts of Branston Limited. These accounts present information about the company as an individual undertaking and not about its group.

Cashflow Statement

The directors have taken advantage of the exemptions in FRS1 (revised 1996) from including a cashflow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cashflow statement.

Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the period exclusive of VAT, and is wholly derived from ordinary activities. Turnover is recognised when the stock is received by the customer.

Fixed Assets

Fixed Assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	25 - 33.3% straight line
Plant and machinery	10 - 25% straight line
Motor vehicles	20 - 25% straight line

Investments

Investments are recorded at cost, less any permanent diminution in value.

Stocks

Stocks, including growing crops, are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is determined using the first in first out principle.

Research and Development

Research and development expenditure is written off to the Profit and Loss Account in the period in which it is incurred.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Operating lease agreements

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

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

NOTES TO THE FINANCIAL STATEMENTS**PERIOD TO 27 JULY 2014****Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Deferred taxation

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the Balance Sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the Balance Sheet date.

Financial instruments

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

2. TURNOVER

The turnover and profit before taxation for the period are attributable to the principal activity of the company.

An analysis of turnover is given below:

	Period to 27 July 14 £'000	Period to 28 July 13 £'000
United Kingdom	<u>115,027</u>	<u>130,038</u>

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	Period to 27 July 14 £'000	Period to 28 July 13 £'000
Depreciation	1,949	2,219
(Profit)/loss on disposal of fixed assets	(17)	17
Impairment of investments	173	2
Auditors' remuneration		
- as auditors	32	29
- procurement advisory services	122	-
- tax	4	8
Operating lease costs:		
Land and buildings	1,267	1,069
Plant and equipment	<u>610</u>	<u>513</u>

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

NOTES TO THE FINANCIAL STATEMENTS

PERIOD TO 27 JULY 2014

4. PARTICULARS OF EMPLOYEES

	Period to 27 July 14 No.	Period to 28 July 13 No.
Production	460	477
Administration	<u>160</u>	<u>158</u>
	<u>620</u>	<u>635</u>

The aggregate payroll costs of the above were:

	Period to 27 July 14 £'000	Period to 28 July 13 £'000
Wages and salaries	12,296	12,055
Social security costs	1,074	1,074
Other pension costs	<u>379</u>	<u>273</u>
	<u>13,749</u>	<u>13,402</u>

5. INTEREST PAYABLE

	Period to 27 July 14 £'000	Period to 28 July 13 £'000
Finance charges	<u>1</u>	<u>-</u>
	<u>1</u>	<u>-</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Period to 27 July 14 £'000	Period to 28 July 13 £'000
<u>Corporation Tax</u> current tax on income for the year	2,285	229
Adjustments in respect of prior years	<u>(14)</u>	<u>(30)</u>
Total current tax	2,271	199
<u>Deferred Tax</u> origination and reversal of timing differences	<u>14</u>	<u>(1)</u>
Tax on profit on ordinary activities	<u>2,285</u>	<u>198</u>

Factors affecting the charge for the period

The tax assessed for the period is higher than the standard rate of Corporation Tax in the UK (22.35/23.68%). The differences are explained below:

	£	£
Profit on ordinary activities before tax	<u>10,439</u>	<u>341</u>

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

NOTES TO THE FINANCIAL STATEMENTS

PERIOD TO 27 JULY 2014

TAX ON PROFIT ON ORDINARY ACTIVITIES (Continued)	Period to 27 July 14 £'000	Period to 28 July 13 £'000
Profit on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 22.35% (2013: 23.68%)	2,333	81
Effects of:		
Group relief	(86)	(44)
Expenses not deductible for UK tax purposes	54	136
Excess of depreciation compared to capital allowances	(13)	150
Other timing differences	(3)	(94)
Adjustment to tax charge in respect of prior periods	(14)	(30)
Current tax charge for year	<u>2,271</u>	<u>199</u>

Factors that may affect future current and total tax charges

Reductions in the UK corporation tax rate from 24% to 23% (effective from 1 April 2013) and to 21% (effective 1 April 2014) were substantively enacted on 26 March 2013 and 3 July 2013 respectively. Further reduction to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 27 July 2014 has been calculated based on the rate of 20% at the balance sheet date.

7. DIVIDENDS	Period to 27 July 14 £'000	Period to 28 July 13 £'000
Ordinary dividend	<u>2,000</u>	<u>1,563</u>

8. TANGIBLE FIXED ASSETS	Plant and Machinery £'000	Motor Vehicles £'000	Equipment £'000	Total £'000
COST				
At 28 July 2013	26,486	288	2,526	29,300
Additions	2,611	84	296	2,990
Disposals	<u>(561)</u>	<u>(181)</u>	<u>(26)</u>	<u>(768)</u>
At 27 July 2014	<u>28,536</u>	<u>190</u>	<u>2,796</u>	<u>31,522</u>
DEPRECIATION				
At 28 July 2013	21,028	193	2,301	23,523
Charge for the period	1,775	40	134	1,949
On disposals	<u>(552)</u>	<u>(127)</u>	<u>(26)</u>	<u>(706)</u>
At 27 July 2014	<u>22,251</u>	<u>106</u>	<u>2,409</u>	<u>24,765</u>
NET BOOK VALUE				
At 27 July 2014	<u>6,284</u>	<u>85</u>	<u>387</u>	<u>6,756</u>
At 28 July 2013	<u>5,457</u>	<u>94</u>	<u>225</u>	<u>5,777</u>

Finance leases

Included in the total net book value of plant and machinery is £42,224 (2013: £53,239) in respect of assets held under finance leases. Depreciation for the year on these assets was £11,015 (2013: £1,836).

Capital commitments	27 July 14 £'000	28 July 13 £'000
Contracted but not provided for in the accounts	<u>1,223</u>	<u>344</u>

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

NOTES TO THE FINANCIAL STATEMENTS

PERIOD TO 27 JULY 2014

9. INVESTMENTS

	Subsidiary Undertakings £'000	Other Investments £'000	Total £'000
COST			
At 28 July 2013	-	190	190
AMOUNTS WRITTEN OFF			
At 27 July 2014	<u>-</u>	<u>(173)</u>	<u>(173)</u>
NET BOOK VALUE AT 27 July 2014	<u><u>-</u></u>	<u><u>17</u></u>	<u><u>17</u></u>

During the year the directors assessed the future income earning potential of the investment in Big Screen Productions LLP and concluded this investment should be impaired to zero.

The undertakings in which the company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage of ordinary shares held
Branston Potatoes Limited	England and Wales	Dormant	100%
The Real Potato Company Limited	England and Wales	Dormant	100%
The Real Vegetable Company Limited	England and Wales	Dormant	100%

Included in other investments is a 24.99% holding of the ordinary shares of Advanced Pest Solutions Limited, a company incorporated in Scotland whose principal activity is the development and sale of biocontrol products. These shares carry rights to 40% of any sales proceeds if the company is sold and 40% of any dividends.

10. STOCKS

	27 July 14 £'000	28 July 13 £'000
Potatoes	477	1,947
Packaging	790	876
Other consumables	671	591
Growing crops	<u>2,038</u>	<u>2,064</u>
	<u><u>3,976</u></u>	<u><u>5,477</u></u>

11. DEBTORS

	27 July 14 £'000	28 July 13 £'000
Trade debtors	6,809	8,362
Amounts owed by group undertakings	7,942	8,474
Other debtors	1,483	355
Corporation tax	-	115
Prepayments and accrued income	1,646	722
Deferred tax asset (note 14)	<u>292</u>	<u>306</u>
	<u><u>18,172</u></u>	<u><u>18,334</u></u>

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

NOTES TO THE FINANCIAL STATEMENTS**PERIOD TO 27 JULY 2014****12. CREDITORS: Amounts falling due within one year**

	27 July 14 £'000	28 July 13 £'000
Bank overdraft	-	520
Trade creditors	7,852	6,889
Corporation tax	920	-
Other taxation and social security	260	247
Hire purchase agreements	11	11
Accruals and deferred income	<u>2,409</u>	<u>1,175</u>
	<u>11,452</u>	<u>8,842</u>

The overdraft is secured by an omnibus guarantee among the company and other undertakings within the Branston Holdings Limited Group. Amounts due under hire purchase agreements are secured on the relevant assets.

13. CREDITORS: Amount falling due greater than one year

	27 July 14 £'000	28 July 13 £'000
Hire purchase agreements	<u>31</u>	<u>42</u>
	<u>31</u>	<u>42</u>

14. DEFERRED TAXATION ASSET

The movement in the deferred taxation position during the period was:

	27 July 14 £'000	28 July 13 £'000
Asset brought forward	306	305
Release for the period	<u>(14)</u>	<u>1</u>
Asset carried forward	<u>292</u>	<u>306</u>

The deferred taxation position consists of the tax effect of timing differences in respect of:

	27 July 14 £'000	28 July 13 £'000
Excess of taxation allowances over depreciation on fixed assets	291	303
Other timing differences	<u>1</u>	<u>3</u>
	<u>292</u>	<u>306</u>

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

- to finance its operations;
- to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- for trading purposes

In addition various financial instruments (eg. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations.

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

NOTES TO THE FINANCIAL STATEMENTS**PERIOD TO 27 JULY 2014****16. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Commitments under hire purchase agreements are as follows:

	27 July 14 £'000	28 July 13 £'000
Amounts payable within one year	11	11
Amounts payable between 2 to 5 years	<u>31</u>	<u>42</u>
Provision carried forward	<u>42</u>	<u>53</u>

17. COMMITMENTS UNDER OPERATING LEASES

At 27 July 2014 the company had annual commitments under non-cancellable operating leases as set out below:

	27 July 14		28 July 13	
	Land & Buildings £'000	Plant & Equipment £'000	Land & Buildings £'000	Plant & Equipment £'000
Operating leases which expire:				
Within one year	-	21	-	66
Within two to five years	-	562	102	429
Greater than five years	<u>-</u>	<u>12</u>	<u>-</u>	<u>47</u>
	<u>-</u>	<u>595</u>	<u>102</u>	<u>542</u>

18. CONTINGENT LIABILITIES

On 26 June 2009 the Group invested in Big Screen Productions LLP. The investment represents a 40.81% share in the partnership and due to the voting structure the Group does not exert significant influence and accordingly has been accounted for as another investment. A tax deduction was recognised for the cost of this investment of £1,297,520. Whilst no specific notice has been received we are aware that HMRC are seeking to litigate in other film partnership enquiries.

19. TRANSACTIONS WITH DIRECTORS

John Lockwood is a director of Lockwood Estates Limited. In the period ended 27 July 2014 Lockwood Estates Limited provided consultancy services, and invoiced for these services accordingly.

20. RELATED PARTY TRANSACTIONS

As the company is a wholly owned subsidiary of Branston Holdings Limited the company has taken advantage of the exemption contained within FRS8 and has therefore not disclosed transactions or balances with entities which form part of the Group. The consolidated financial statements can be obtained from Mere Road, Branston, Lincoln LN4 1NJ.

BRANSTON LIMITED

COMPANY REGISTRATION NUMBER 2889789

NOTES TO THE FINANCIAL STATEMENTS**PERIOD TO 27 JULY 2014****21. SHARE CAPITAL****Allotted, called up and fully paid:**

	27 July 14		28 July 13	
	No.	£	No.	£
Ordinary shares of £0.01 each	<u>15,945</u>	<u>159.45</u>	<u>15,945</u>	<u>159.45</u>

22. SHARE PREMIUM ACCOUNT

	£'000	£'000
Balance at 28 July 2013 and 27 July 2014	<u>844</u>	<u>844</u>

23. PROFIT AND LOSS ACCOUNT

	27 July 2014	28 July 2013
	£'000	£'000
Balance brought forward	20,052	21,472
Profit retained for the period	8,154	143
Dividend	<u>(2,000)</u>	<u>(1,563)</u>
Balance carried forward	<u>26,206</u>	<u>20,052</u>

24. PENSION CONTRIBUTIONS

The pension charge for the period amounts to £379,365 (2013: £272,933). At 27 July 2014 there was a creditor in respect of pension contributions amounting to £43,408 (2013: £21,029).

25. CONTROLLING PARTIES

The controlling party is Branston Holdings Limited.

26. ULTIMATE PARENT COMPANY

At 27 July 2014 the company's ultimate parent company was Branston Holdings Limited, a company registered in England and Wales.

Copies of the Financial Statements of Branston Holdings Limited are available from Mere Road, Branston, Lincoln LN4 1NJ.