

COMPANY REGISTRATION NUMBER: 03216535

Baird Foods Limited
Abbreviated Financial Statements
31st October 2016



GARRATTS WOLVERHAMPTON LIMITED

Chartered accountant
29 Waterloo Road
Wolverhampton
WV1 4DJ

Baird Foods Limited
Abbreviated Financial Statements
Year ended 31st October 2016

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	3
Independent auditor's report to the company	5
Abbreviated statement of comprehensive income	6
Statement of financial position	7
Statement of cash flows	8
Notes to the abbreviated financial statements	9

Baird Foods Limited
Officers and Professional Advisers

The Board of Directors

Mr N R Baird
Mr B G Baird
Mr T L Baird

Company Secretary

Mrs A A Baird

Registered Office

Unit 10
Barton Marina
Barton Under Needwood
Burton On Trent
Staffordshire
England
DE13 8DZ

Auditor

Garratts Wolverhampton Limited
Chartered accountant
29 Waterloo Road
Wolverhampton
WV1 4DJ

Bankers

Lloyds Bank plc
293 High Street
West Bromwich
West Midlands

National Westminster
2 Golden Hill Lane
Leyland
Preston
Lancashire
PR5 2NP

Baird Foods Limited
Strategic Report
Year ended 31st October 2016

The principal activity of the company during the year was that of wholesale meat, poultry and seafood suppliers.

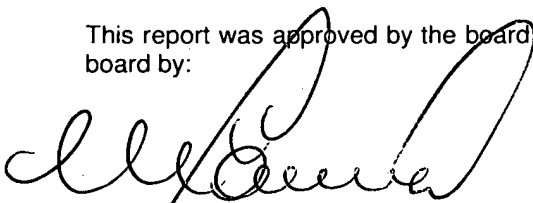
The company is pleased to report a satisfactory result for the financial year with a profit before tax of £789,729 (2015: £720,426). The gross profit margin increased to 11.2% compared to 8.8% for the previous financial year due to a lower priced product mix, with higher margins. The turnover decreased from £20,823,294 to £19,599,837 for this financial year, a decrease of 5.9%, due to lower product values.

The directors believe that the company is in a strong position at the end of the year to grow by increasing both the turnover and gross profit margin.

The principal risks facing the food industry are possible food health scares, but at this moment in time there is no evidence to suggest there is anything of that nature. The company cannot foresee a drop in market confidence caused by a national or European crisis but does ensure that the highest food standards possible on all the goods sold is maintained.

The company is planning to extend and increase its range of products to help achieve an increase in its turnover and customer base.

This report was approved by the board of directors on 3rd February 2017 and signed on behalf of the board by:



Mr N R Baird
Director



Mrs A A Baird
Company Secretary

Registered office:
Unit 10
Barton Marina
Barton Under Needwood
Burton On Trent
Staffordshire
England
DE13 8DZ

Baird Foods Limited

Directors' Report

Year ended 31st October 2016

The directors present their report and the abbreviated financial statements of the company for the year ended 31st October 2016.

Directors

The directors who served the company during the year were as follows:

Mr N R Baird
Mr B G Baird
Mr T L Baird

Dividends

Particulars of recommended dividends are detailed in note 10 to the financial statements.

Disclosure of information in the strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 is set out in the Company's Strategic Report.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 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 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 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.

Baird Foods Limited

Directors' Report *(continued)*

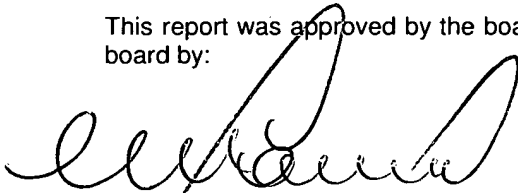
Year ended 31st October 2016

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 3rd February 2017 and signed on behalf of the board by:



Mr N R Baird
Director



Mrs A A Baird
Company Secretary

Registered office:
Unit 10
Barton Marina
Barton Under Needwood
Burton On Trent
Staffordshire
England
DE13 8DZ

Baird Foods Limited

Independent Auditor's Report to Baird Foods Limited under section 449 of the Companies act 2006

Year ended 31st October 2016

We have examined the abbreviated financial statements set out on pages 6 to 15, together with the financial statements of Baird Foods Limited for the year ended 31st October 2016 prepared under section 396 of the Companies Act 2006.

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

The directors are responsible for preparing the abbreviated financial statements in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.

R S Chaggar FCA (Senior Statutory Auditor)

For and on behalf of
Garratts Wolverhampton Limited
Chartered accountant
29 Waterloo Road
Wolverhampton
WV1 4DJ

3rd February 2017

Baird Foods Limited
Abbreviated Statement of Comprehensive Income
Year ended 31st October 2016

	Note	2016 £	2015 £
Turnover	3	19,599,837	20,823,294
Cost of sales and other operating income		17,407,667	18,998,400
Distribution costs		723,706	566,740
Administrative expenses		677,201	521,379
Operating profit	4	791,263	736,775
Interest payable and similar charges	8	1,534	16,349
Profit on ordinary activities before taxation		789,729	720,426
Tax on profit on ordinary activities	9	159,264	147,620
Profit for the financial year and total comprehensive income		<u>630,465</u>	<u>572,806</u>

All the activities of the company are from continuing operations.

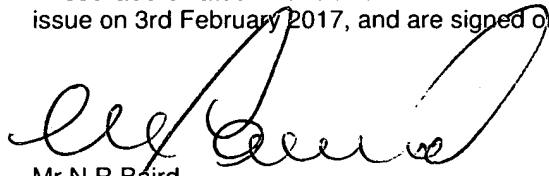
The notes on pages 9 to 15 form part of these financial statements.

Baird Foods Limited
Statement of Financial Position
31st October 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	11	283,441	300,486
Current assets			
Stocks	12	1,431,339	1,884,003
Debtors	13	3,042,678	2,242,794
Cash at bank and in hand		1,898,859	1,024,927
		<u>6,372,876</u>	<u>5,151,724</u>
Creditors: amounts falling due within one year	14	<u>3,198,336</u>	<u>2,242,837</u>
Net current assets		<u>3,174,540</u>	<u>2,908,887</u>
Total assets less current liabilities		<u>3,457,981</u>	<u>3,209,373</u>
Provisions			
Taxation including deferred tax	15	<u>51,601</u>	<u>53,458</u>
Net assets		<u><u>3,406,380</u></u>	<u><u>3,155,915</u></u>
Capital and reserves			
Called up share capital	18	638,258	638,258
Profit and loss account	19	<u>2,768,122</u>	<u>2,517,657</u>
Members funds		<u><u>3,406,380</u></u>	<u><u>3,155,915</u></u>

These financial statements have been prepared in accordance with the special provisions of section 445(3) Companies Act 2006 in regard to medium-sized companies.

These abbreviated financial statements were approved by the board of directors and authorised for issue on 3rd February 2017, and are signed on behalf of the board by:


Mr N R Baird
Director
Company registration number: 03216535

The notes on pages 9 to 15 form part of these financial statements.

Baird Foods Limited
Statement of Cash Flows
Year ended 31st October 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	630,465	572,806
<i>Adjustments for:</i>		
Depreciation of tangible assets	57,162	47,263
Interest payable and similar charges	1,534	16,349
Loss on disposal of tangible assets	—	1,700
Tax on profit on ordinary activities	159,264	147,620
Accrued expenses	67,797	5,425
<i>Changes in:</i>		
Stocks	452,664	501,022
Trade and other debtors	(799,884)	671,013
Trade and other creditors	815,028	(890,404)
Cash generated from operations	1,384,030	1,072,794
Interest paid	(1,534)	(16,349)
Tax paid	(130,947)	(103,539)
Net cash from operating activities	<u>1,251,549</u>	<u>952,906</u>
Cash flows from investing activities		
Purchase of tangible assets	(42,292)	(133,315)
Proceeds from sale of tangible assets	2,175	6,101
Net cash used in investing activities	<u>(40,117)</u>	<u>(127,214)</u>
Cash flows from financing activities		
Proceeds from borrowings	42,500	(9,000)
Dividends paid	(380,000)	(325,000)
Net cash used in financing activities	<u>(337,500)</u>	<u>(334,000)</u>
Net increase in cash and cash equivalents	873,932	491,692
Cash and cash equivalents at beginning of year	<u>1,024,927</u>	<u>533,235</u>
Cash and cash equivalents at end of year	<u>1,898,859</u>	<u>1,024,927</u>

The notes on pages 9 to 15 form part of these financial statements.

Baird Foods Limited

Notes to the Abbreviated Financial Statements

Year ended 31st October 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 10, Barton Marina, Barton Under Needwood, Burton On Trent, Staffordshire; DE13 8DZ, England.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st November 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 22.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

Deferred tax is recognised in respect of all 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.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Baird Foods Limited

Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31st October 2016

2. Accounting policies *(continued)*

Depreciation

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

Plant and machinery	-	10% straight line
Fixtures and fittings	-	25% straight line
Equipment	-	25% straight line

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation; the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

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 company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

3. Turnover

Turnover arises from:

	2016	2015
	£	£
Sale of goods	<u>19,599,837</u>	<u>20,823,294</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Baird Foods Limited

Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31st October 2016

4. Operating profit

Operating profit or loss is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation of tangible assets	57,162	47,263
Loss on disposal of tangible assets	—	1,700
Foreign exchange differences	<u>(31,181)</u>	<u>(65,700)</u>

5. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>11,000</u>	<u>8,200</u>

6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
	No	No
Administrative staff	<u>11</u>	<u>10</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	310,084	244,701
Social security costs	22,305	22,284
Other pension costs	<u>13,351</u>	<u>10,000</u>
	<u>345,740</u>	<u>276,985</u>

7. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	44,700	40,000
Company contributions to defined contribution pension plans	<u>12,950</u>	<u>10,000</u>
	<u>57,650</u>	<u>50,000</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2016	2015
	No	No
Defined contribution plans	<u>3</u>	<u>3</u>

Baird Foods Limited

Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31st October 2016

8. Interest payable and similar charges

	2016 £	2015 £
Interest on banks loans and overdrafts	1,534	9,068
Other interest payable and similar charges	–	7,281
	<u>1,534</u>	<u>16,349</u>

9. Tax on profit on ordinary activities

Major components of tax expense

	2016 £	2015 £
Current tax:		
UK current tax expense	161,121	130,947
Adjustments in respect of prior periods	–	102
Total current tax	<u>161,121</u>	<u>131,049</u>
Deferred tax:		
Origination and reversal of timing differences	<u>(1,857)</u>	<u>16,571</u>
Tax on profit on ordinary activities	<u>159,264</u>	<u>147,620</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is 20.4% (2015: 18.2%) which is higher than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016 £	2015 £
Profit on ordinary activities before taxation	<u>789,729</u>	<u>720,426</u>
Profit on ordinary activities by rate of tax	157,946	146,967
Adjustment to tax charge in respect of prior periods	–	102
Effect of expenses not deductible for tax purposes	1,857	(18,694)
Rounding on tax charge	–	(24)
Expenses not allowable	<u>1,318</u>	<u>2,698</u>
Tax on profit on ordinary activities	<u>161,121</u>	<u>131,049</u>

10. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016 £	2015 £
Equity dividends on A ordinary shares	135,000	175,000
Equity dividends on B ordinary shares	<u>245,000</u>	<u>150,000</u>
	<u>380,000</u>	<u>325,000</u>

Baird Foods Limited

Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31st October 2016

10. Dividends *(continued)*

Dividends proposed after the year end and not recognised as a liability:

	2016 £	2015 £
Equity dividends on B ordinary shares	<u>35,000</u>	<u>90,000</u>

11. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1st November 2015	444,739	34,083	34,957	513,779
Additions	39,383	755	2,154	42,292
Disposals	(2,175)	—	—	(2,175)
At 31st October 2016	<u>481,947</u>	<u>34,838</u>	<u>37,111</u>	<u>553,896</u>
Depreciation				
At 1st November 2015	159,159	28,999	25,135	213,293
Charge for the year	45,041	4,476	7,645	57,162
At 31st October 2016	<u>204,200</u>	<u>33,475</u>	<u>32,780</u>	<u>270,455</u>
Carrying amount				
At 31st October 2016	<u>277,747</u>	<u>1,363</u>	<u>4,331</u>	<u>283,441</u>
At 31st October 2015	<u>285,580</u>	<u>5,084</u>	<u>9,822</u>	<u>300,486</u>

12. Stocks

	2016 £	2015 £
Raw materials and consumables	<u>1,431,339</u>	<u>1,884,003</u>

13. Debtors

	2016 £	2015 £
Trade debtors	3,020,335	2,204,678
Prepayments and accrued income	2,945	16,802
Other debtors	19,398	21,314
	<u>3,042,678</u>	<u>2,242,794</u>

Baird Foods Limited

Notes to the Abbreviated Financial Statements (continued)

Year ended 31st October 2016

14. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	2,740,847	1,964,007
Accruals and deferred income	121,368	53,571
Corporation tax	161,121	130,947
Social security and other taxes	—	4,292
Director loan accounts	87,500	45,000
Other creditors	87,500	45,020
	<u>3,198,336</u>	<u>2,242,837</u>

15. Provisions

	Deferred tax (note 16) £
At 1st November 2015	53,458
Additions	(1,857)
At 31st October 2016	<u>51,601</u>

16. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016 £	2015 £
Included in provisions (note 15)	<u>51,601</u>	<u>53,458</u>

17. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £13,351 (2015: £10,000).

18. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No	£	No	£
A Ordinary shares of £1 each	488,258	488,258	488,258	488,258
B Ordinary shares of £1 each	150,000	150,000	150,000	150,000
	<u>638,258</u>	<u>638,258</u>	<u>638,258</u>	<u>638,258</u>

Baird Foods Limited

Notes to the Abbreviated Financial Statements *(continued)*

Year ended 31st October 2016

19. Reserves

Called up share capital - This reserve represents the nominal value of shares that have been issued.

Profit and loss account - This reserve included all current and prior period retained profits and losses.

20. Directors' advances, credits and guarantees

During the year there were no advances, credits or guarantees to directors. At the year end the directors loan accounts included in creditors due within one year amounted to £87,500 (2015: £45,000).

21. Related party transactions

The company was under the control of Mr N Baird throughout the current and previous year.

During the year the directors were paid dividends as follows:

Mr N Baird £67,500 (2015 - £87,500)

Mr B Baird £61,250 (2015 - £37,500)

Mr T Baird £61,250 (2015 - £37,500)

During the year the company paid loan interest of £Nil (2015: £7,281) to Mr N Baird. The interest has been calculated using a commercial market rate and the loan was fully repaid at the year end.

22. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st November 2014.

No transitional adjustments were required in equity or profit or loss for the year.