

# **Cargill Integra (UK) Limited**

## **Directors' report and financial statements**

31 May 2012

Registered number 04299360

THURSDAY



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## **Directors' report and financial statements**

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## **Directors' report**

### **Introduction**

The directors present their annual report and the audited financial statements for the year ended 31 May 2012

### **Principal activities**

The principal activity of the company is poultry processing and distribution business

### **Business review and summary results**

The directors consider the key performance indicators for the business to be turnover and profit

Summarised results are given below

	2012	2011
	£000	£000
Turnover	926	1,752
Profit on ordinary activities after taxation for the financial period	13	32

### **Dividends**

During the year the company neither declared nor paid a dividend (2011 £nil)

### **Policy and practice on payment of creditors**

The company aims to pay all its creditors promptly. It is the company's policy to agree the terms of payment with its suppliers, ensure that suppliers are aware of the terms of payment, and to pay in accordance with contractual and other obligations.

### **Directors**

The directors who served during the year and at the report date were

R Maxfield (resigned 24 November 2011)

C W Oliver

J B Sikes (appointed 24 November 2011)

### **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 auditors are unaware, and each director has taken all the 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 auditors are aware of that information.

### **Auditors**

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

By order of the board



J B Sikes

Director

20 November 2012

Grandstand Road  
Hereford  
Herefordshire  
HR4 9PB

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

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 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 year. 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.



## **Independent auditor's report to the members of Cargill Integra (UK) Limited**

We have audited the financial statements of Cargill Integra (UK) Limited for the year ended 31 May 2012 set out on pages 4 to 12. 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 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, 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**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 31 May 2012 and of its profit for the year 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 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.

**Matthew J Buckingham** (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

St Nicholas House  
31 Park Row  
Nottingham  
NG1 6FQ

20 November 2012

**Profit and loss account**  
*for the year ended 31 May 2012*

	<i>Note</i>	<b>2012</b> £000	2011 £000
<b>Turnover</b>	2	926	1,752
Cost of sales		(920)	(1,736)
<b>Gross profit</b>		<u>6</u>	<u>16</u>
Impairment provision (charge) / release	7	(196)	20
Other operating income		9	-
Administrative expenses		(3)	(4)
Income from shares in group undertakings		196	-
<b>Operating profit</b>		<u>12</u>	<u>32</u>
Other interest receivable and similar income	4	5	6
<b>Profit on ordinary activities before taxation</b>	5	<u>17</u>	<u>38</u>
Tax on profit on ordinary activities	6	(4)	(6)
<b>Profit for the financial period</b>	12	<u><u>13</u></u>	<u><u>32</u></u>


The company had no recognised gains or losses other than the result for the year

The company made no acquisitions and had no discontinued activities in the year

**Balance sheet**  
*at 31 May 2012*

	Note	2012 £000	2011 £000
<b>Fixed assets</b>			
Investments	7	563	759
<b>Current assets</b>			
Debtors	8	804	781
<b>Creditors: amounts falling due within one year</b>	9	<u>(568)</u>	<u>(753)</u>
<b>Net current assets</b>		236	28
<b>Creditors: amounts falling due after one year</b>	10	-	(1)
<b>Net assets</b>		<u>799</u>	<u>786</u>
<b>Capital and reserves</b>			
Called up share capital	11	-	-
Reserves	12	799	786
<b>Shareholder's funds</b>	13	<u>799</u>	<u>786</u>

These financial statements were approved by the board of directors on 20 November 2012 and were signed on its behalf by

  
**J/B Sikes**  
*Director*

## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

#### ***Basis of preparation***

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

#### ***Turnover***

Turnover, all of which arose from the company's principal activity, represents the amounts, excluding Value Added Tax, derived from the provision of goods and services to customers during the year. Revenue is only recognised when the goods are delivered and when the risks and rewards of ownership pass to the buyer.

#### ***Cash flow statement***

In accordance with Financial Reporting Standard 1 *Cash flow statements*, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a subsidiary undertaking within the group headed by Cargill, Incorporated, whose financial statements are publicly available.

#### ***Related party transactions***

Under Financial Reporting Standard 8 *Related party disclosures*, the company is exempt from the related party disclosure requirements on transactions with Cargill, Incorporated group companies because 100% of its voting rights are controlled within this group, and the consolidated financial statements of the group, in which the company is included, are publicly available.

#### ***Foreign currencies***

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

#### ***Dividends on shares presented within shareholder's funds***

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

#### ***Taxation***

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation, 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 otherwise required by Financial Reporting Standard 19 *Deferred tax*.

A deferred tax asset is recognised to the extent it is regarded as recoverable. Provision is made at rates of taxation anticipated to be in force when the timing differences are expected to reverse.



**Notes** *(continued)*

**1**      **Accounting policies** *(continued)*

***Classification of financial instruments issued by the company***

Financial instruments issued by the company are treated as equity (i.e. forming part of shareholder's funds) only to the extent that they meet the following two conditions

- a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company and
- b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholder's funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholder's funds.

***Fixed asset investments***

Investments in subsidiary undertakings are recorded at their respective net asset values under the company's adoption of the alternative accounting rules. The difference between cost and net asset value is recorded as an investment revaluation reserve. Where the cost of the investment exceeds the net asset value and the diminution in value is considered permanent, an appropriate charge is made to the profit and loss account.

**Notes** *(continued)*

**2 Segmental analysis**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom, where all of its net operating assets were located

**3 Staff numbers and costs**

There were no employees during the year Sun Valley Foods Limited pays the directors' emoluments of J B Sikes and C W Oliver There is no cost to the company for making their services available as a director of the company

**4 Other interest receivable and similar income**

	2012 £000	2011 £000
Amounts derived from group companies	5	6
	<u>5</u>	<u>6</u>

**5 Profit on ordinary activities before taxation**

	2012 £000	2011 £000
Profit on ordinary activities before taxation is stated after charging		
<i>Auditor's remuneration</i>		
Audit of these financial statements	<u>2</u>	<u>2</u>

**Notes (continued)**

**6 Taxation**

	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
<b>(a) Analysis of charge in the period</b>		
<i>Current tax</i>		
UK corporation tax at 25.67% (2011: 27.67%)	<u>4</u>	<u>6</u>
Total current tax (note 6 (b))	<u><u>4</u></u>	<u><u>6</u></u>
<b>(b) Factors affecting current tax charge in the period</b>		
The current tax assessment for the year is lower than (2011: lower than) the standard rate of corporation tax in the UK of 25.67% (2011: 27.67%)		
The differences are explained below		
Profit on ordinary activities before taxation	<u>17</u>	<u>38</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.67% (2011: 27.67%)	4	11
Effects of		
Income not taxable	-	(5)
UK dividend income not taxable	(50)	
Impairment provision not deductible	<u>50</u>	
Current tax charge for the period	<u><u>4</u></u>	<u><u>6</u></u>

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

**Notes** *(continued)*

**7 Fixed asset investments**

	<b>Shares in group undertakings £000</b>
<i>Cost</i>	
At beginning of period	6,410
<b>At end of period</b>	<b>6,410</b>
<i>Impairment provision</i>	
At beginning of period	5,651
Charge to profit and loss account	196
<b>At end of period</b>	<b>5,847</b>
<i>Net book value</i>	
<b>At end of period</b>	<b>563</b>
At beginning of period	759

The company directly owned 100% of the issued ordinary share capital of Cargill Integra (Wales) Limited, a company incorporated in the United Kingdom, for the entire year. During the year the company was entered into liquidation.

**8 Debtors**

	<b>2012 £000</b>	<b>2011 £000</b>
<i>Due within one year</i>		
Amounts owed by group undertakings	804	781
	<b>804</b>	<b>781</b>
<i>Amounts owed by group undertakings comprise</i>		
Trade debtors	1	-
Short term deposits	803	781
	<b>804</b>	<b>781</b>

**Notes (continued)**

**9 Creditors: amounts falling due within one year**

	2012 £000	2011 £000
<i>Due within one year</i>		
Amounts owed by group undertakings	562	745
Corporation tax	4	6
Accruals and deferred income	2	2
	<u>568</u>	<u>753</u>
<i>Amounts owed to group undertakings comprise</i>		
Trade creditors	562	745
	<u>562</u>	<u>745</u>

**10 Creditors: amounts falling due after one year**

	2012 £000	2011 £000
<i>Due after one year</i>		
Deferred tax	-	1
	<u>-</u>	<u>1</u>

**11 Called up share capital**

	2012 £	2011 £
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

**Notes (continued)**

**12 Reserves**

	<b>Profit and loss account £000</b>
At 31 May 2011	786
Profit for the period	13
<b>At 31 May 2012</b>	<b>799</b>

**13 Reconciliation of movement in shareholder's funds**

	<b>2012 £000</b>	<b>2011 £000</b>
Opening shareholder's funds	786	754
Retained profit for the financial period	13	32
<b>Closing shareholder's funds</b>	<b>799</b>	<b>786</b>

**14 Related party transactions**

Transactions with Cargill, Incorporated and fellow subsidiaries of Cargill, Incorporated carried out at an arm's length basis are disclosed below

	<b>2012 £000</b>	<b>2011 £000</b>
<i>Sales made by Cargill Integra (UK) Limited to</i>		
Subsidiaries of Cargill Plc	926	1,751
	<b>926</b>	<b>1,751</b>
<i>Purchases made by Cargill Integra (UK) Limited from</i>		
Cargill Meats Thailand	394	-
Subsidiaries of Cargill Plc	282	1,344
	<b>282</b>	<b>1,344</b>

**Notes** *(continued)*

**14 Related party transactions** *(continued)*

	<b>2012</b>	2011
	<b>£000</b>	£000
<i>Amounts receivable by Cargill Integra (UK) Limited from</i>		
Amounts owed by subsidiaries of Cargill Plc	<b>804</b>	781
	<b>804</b>	781
<i>Amounts payable by Cargill Integra (UK) Limited to</i>		
Amounts owed to subsidiaries of Cargill Plc	<b>562</b>	745
	<b>562</b>	745

**15 Ultimate holding company and parent undertaking**

The immediate parent undertaking of Cargill Integra (UK) Limited is Cargill PLC, a company incorporated in Great Britain and registered in England and Wales. Cargill, Incorporated is the ultimate parent undertaking of Cargill Integra (UK) Limited and is regarded by the directors as being the company's ultimate controlling party.

The parent undertaking of the smallest and largest group into which the accounts of the company are consolidated is Cargill, Incorporated, a company incorporated in the USA. The consolidated financial statements of this group are lodged at Companies House, Crown Way, Cardiff, CF4 3UZ.