



HCF Poultry Limited

Directors' report and financial statements

Year ended 31 March 2015

Registered number: 5016434

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HCF Poultry Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities in respect of the directors' report and the financial statements	4
Independent auditor's report to the members of HCF Poultry Limited	5 - 6
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes forming part of the financial statements	10 - 17



HCF Poultry Limited

Directors and other information

Directors

M. Feeley (Irish)
K. Connolly (Irish)

Registered office

Station Yard
Station Road
Cullingworth
Bradford
West Yorkshire
England BD13 5HP

Secretary

M. Feeley

Auditor

KPMG
Chartered Accountants
Dockgate
Dock Road
Galway
Ireland

Bankers

Allied Irish Bank (GB)
Goodbard House
15 Infirmary Street
Leeds
LS1 2JS
United Kingdom

Solicitors

Mills-Reeve
1 New York Street
Manchester
M1 4AD
United Kingdom

HCF Poultry Limited

Strategic report

The directors present their strategic report for the year ended 31 March 2015.

Principal activities

The activities of the company consist of the slaughtering and processing of end of lay hens.

Results for the year, business review and future developments

The results and performance for the year are set out in the profit and loss account on page 7. The directors are pleased with the results for the year and expect this to continue for the forthcoming year. Profit before tax for the year amounted to STG£401,088 (2014: STG£463,571). The balance sheet on page 8 shows that the company's financial position at year end has strengthened in line with the profit generated in the year.

Principal risks and uncertainties

The directors recognise the potential disruption to trade in the event of a widespread outbreak of bird flu. However, the directors are confident, based on previous experience of food/health scares, that the company could manage such risk so as to minimise its impact.

The company continues to focus on cost reduction and production efficiencies so as to maximise profitability in current market conditions.

Key performance indicators

Key performance indicators that are focused on by management include:

- Revenue and production volumes;
- Quality standards to ensure full compliance with current legislation; and
- Key working capital ratios.

Each of these indicators is monitored by management against budget and against prior periods. The directors are satisfied with the performance of the company during the year with regard to the indicators above.

On behalf of the board



Michael Feeley
Director

Station Yard
Station Road
Cullingworth
Bradford
West Yorkshire
England BD13 5HP



HCF Poultry Limited

Directors' report

The directors present their directors' report and financial statements for the year ended 31 March 2015.

Results and dividends

The results for the year are set out in the profit and loss account on page 7. The directors do not recommend payment of a dividend.

Directors

In accordance with the Articles of Association, the directors will continue in office.

Post balance sheet events

There are no post balance sheet events which affect the financial statements of the company.

Political and charitable contributions

The company made no political or charitable donations and did not incur any political expenditure during the year.

Disclosure of information to auditor

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.

Auditor

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

On behalf of the board

Michael Feeley
Director

22 December 2015

Station Yard
Station Road
Cullingworth
Bradford
West Yorkshire
England BD13 5HP

HCF Poultry Limited

Statement of directors' responsibilities in respect of 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.

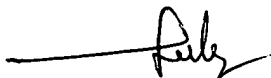
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgements 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 its 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.

On behalf of the board



Michael Feeley
Director



KPMG
Audit
Dockgate
Dock Road
Galway
Ireland

Independent auditor's report to the members of HCF Poultry Limited

We have audited the financial statements of HCF Poultry Limited for the year ended 31 March 2015 as set out on pages 7 to 17 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2015 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.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

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.

3 We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required 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.

We have nothing to report in respect of the above responsibilities.

Independent auditor's report to the members of HCF Poultry Limited

(continued)

Basis of our report, responsibilities and restrictions on use

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 and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) 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 Annual 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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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.



David Meagher (*Senior Statutory Auditor*)
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
Dockgate, Dock Road, Galway, Ireland

22 December 2015

HCF Poultry Limited

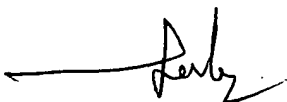
Profit and loss account

for the year ended 31 March 2015

	Notes	2015 STG£	2014 STG£
Turnover – continuing operations	2	17,769,066	21,118,042
Cost of sales		(16,726,272)	(20,086,845)
Gross profit		1,042,794	1,031,197
Operating expenses	3	(637,574)	(563,521)
Operating profit - continuing operations		405,220	467,676
Interest payable and similar charges	4	(4,132)	(4,105)
Profit on ordinary activities before taxation	5 - 7	401,088	463,571
Tax on profit on ordinary activities	8	(88,433)	(85,466)
Profit for the financial year	15	312,655	378,105

The company had no recognised gains or losses in the financial year or the preceding financial year other than those dealt with in the profit and loss account.

On behalf of the board



Michael Feeley
Director

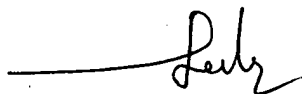
HCF Poultry Limited

Balance sheet

at 31 March 2015

	Notes	2015		2014	
		STG£	STG£	STG£	STG£
Fixed assets					
Tangible assets	9		2,255,230		2,287,754
Current assets					
Stocks	10	1,079,805		368,555	
Debtors	11	1,100,108		1,828,334	
Cash at bank and in hand		1,391,321		1,070,565	
		<u>3,571,234</u>		<u>3,267,454</u>	
Creditors: amounts falling due within one year	12	<u>(856,674)</u>		<u>(909,678)</u>	
Net current assets			<u>2,741,560</u>		<u>2,357,776</u>
Total assets less current liabilities			<u>4,969,790</u>		<u>4,645,530</u>
Provision for liabilities	13		<u>(186,485)</u>		<u>(174,880)</u>
Net assets			<u>4,783,305</u>		<u>4,470,650</u>
Capital and reserves					
Called up share capital	14	200,000		200,000	
Share premium		502,000		502,000	
Capital contribution		116,107		116,107	
Profit and loss account	15	3,965,198		3,652,543	
Shareholders' funds	16		<u>4,783,305</u>		<u>4,470,650</u>

These financial statements were approved by the board of directors on 22 December 2015 and were signed on their behalf by:



Michael Feeley
Director

Company registered number: 5016434

HCF Poultry Limited

Cash flow statement

for the year ended 31 March 2015

	Notes	2015 STG£	2014 STG£
Net cash inflow from operating activities	17	588,490	701,125
Returns on investments and servicing of finance			
Interest paid		(4,132)	(4,105)
Net cash outflow from returns on investments and servicing of finance		(4,132)	(4,105)
Tax paid		(126,120)	(24,000)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(137,482)	(139,553)
Net cash outflow from capital expenditure and financial investment		(137,482)	(139,553)
Increase in cash in year	18	320,756	533,467

HCF Poultry Limited

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 are prepared in accordance with generally accepted accounting principles under the historical cost convention, and comply with the financial reporting standards of the Financial Reporting Council, as promulgated by the Institute of Chartered Accountants in England and Wales.

Turnover

Turnover represents the fair value of goods, excluding value added tax, delivered to/collected by customers in the accounting period. Goods are deemed to have been delivered to customers when the customer has access to the significant benefits inherent in the goods and exposure to the risks inherent in those benefits.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation. No depreciation is provided on freehold land. The charge for depreciation is calculated to write down cost of tangible fixed assets to their estimated residual values by equal annual instalments over their expected useful economic lives which are as follows:

Buildings	2% straight line
Plant and machinery	10% reducing balance
Office equipment	20% reducing balance
Motor vehicles	20% reducing balance

Stocks

Stocks are stated at the lower of cost and net realisable value.

Cost incurred in bringing each product to its present location and condition is based on:

Raw materials	-	purchase cost on a first in, first out basis including transport
Finished goods	-	cost of raw materials plus the attributable proportion of production overheads based on the normal level of activity.

Net realisable value is based on estimated normal selling price less further costs expected to be incurred to completion and disposal.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. The resulting monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date and the exchange differences are dealt with in the profit and loss account.

HCF Poultry Limited

Notes (continued)

1 Accounting policies (continued)

Taxation

Current tax, including United Kingdom corporation tax, is provided on the company's taxable profits, at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

2 Turnover

	2015 STG£	2014 STG£
The analyses of turnover by activity and geographical area are as follows:		
<i>By activity:</i>		
Poultry processing	17,769,066	21,118,042
<i>By geographical area:</i>		
United Kingdom	11,211,077	16,493,705
Rest of EU	6,557,989	4,624,337
	17,769,066	21,118,042

3 Operating expenses

	2015 STG£	2014 STG£
Selling and distribution costs	130,283	148,812
Administration costs	507,292	414,709
	637,575	563,521

HCF Poultry Limited

Notes (continued)

4 Interest payable and similar charges

	2015 STG£	2014 STG£
Interest payable on bank loans and overdrafts wholly repayable within five years	4,132	4,105

5 Statutory and other information

	2015 STG£	2014 STG£
Profit on ordinary activities before taxation is stated after charging:		
Auditor's remuneration	17,300	17,300
Depreciation	170,006	171,032
Foreign exchange losses	40,015	-

6 Directors' remuneration and transactions

	2015 STG£	2014 STG£
Directors' emoluments	326,500	344,000

These emoluments are split equally between the two directors.

7 Staff numbers and costs

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

	Number of employees	
	2015	2014
Production	110	111
Administration	20	21
	130	132

The aggregate payroll costs of these employees were as follows:

	2015 STG£	2014 STG£
Wages and salaries	2,930,892	2,937,571
Social security costs	219,331	218,483
	3,150,223	3,156,054

HCF Poultry Limited

Notes (continued)

8 Tax on profit on ordinary activities

	2015 STG£	2014 STG£
<i>(a) Analysis of charge in year</i>		
<i>United Kingdom corporation tax</i>		
Current corporation tax	84,382	99,501
Adjustment to tax in respect of previous periods	(7,554)	(11,189)
Total current tax (note 8(b))	76,828	88,312
<i>Deferred taxation</i>		
Reversal of timing differences	5,289	23,386
Impact of changes in tax rates	(252)	(26,232)
Adjustment in respect of previous years	6,568	-
Total deferred tax (note 13)	11,605	(2,846)
Total on profit on ordinary activities	88,433	85,466

(b) Factors affecting tax charge for the year

The current tax charge differs from the standard rate of tax in the United Kingdom. The differences are explained below:

	2015 STG£	2014 STG£
Profit on ordinary activities before tax	401,088	463,571
Current tax at 21% (2014: 23%)	84,228	106,621
<i>Effects of:</i>		
Capital allowances in excess of depreciation	(11,326)	(12,775)
Expenses not deductible for tax purposes	5,443	5,655
Other timing differences	6,037	-
Adjustment to tax in respect of previous periods	(7,554)	(11,189)
Current tax charge for year (note 8(a))	76,828	88,312

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2014) was substantively enacted on 3 July 2012. Further reductions to 21% (effective 1 April 2015) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2014. This has reduced the company's future current tax charge accordingly. The deferred tax liability has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

HCF Poultry Limited

Notes (continued)

9 Tangible fixed assets

	Buildings STG£	Plant and machinery STG£	Office equipment STG£	Motor vehicles STG£	Total STG£
<i>Cost</i>					
At beginning of year	1,205,836	2,606,088	89,249	11,000	3,912,173
Additions	-	133,183	4,299	-	137,482
At end of year	1,205,836	2,739,271	93,548	11,000	4,049,655
<i>Depreciation</i>					
At beginning of year	214,726	1,329,910	76,021	3,762	1,624,419
Charge for year	24,117	140,936	3,505	1,448	170,006
At end of year	238,843	1,470,846	79,526	5,210	1,794,425
<i>Net book value:</i>					
At 31 March 2015	966,993	1,268,425	14,022	5,790	2,255,230
At 31 March 2014	991,110	1,276,178	13,228	7,238	2,287,754

10 Stocks

	2015 STG£	2014 STG£
Raw materials and consumables	30,000	28,147
Finished goods and goods for resale	1,049,805	340,408
	1,079,805	368,555

The estimated replacement cost of stock does not differ significantly from the amounts above.

11 Debtors

	2015 STG£	2014 STG£
Trade debtors	1,038,609	1,775,284
Prepayments and accrued income	11,764	9,668
VAT	47,034	43,382
Corporation tax	2,701	-
	1,100,108	1,828,334

HCF Poultry Limited

Notes (continued)

12 Creditors: amounts falling due within one year

	2015 STG£	2014 STG£
Trade creditors	654,046	682,052
Tax and social welfare creditors (see below)	50,986	101,186
Accruals and deferred income	151,642	126,440
	856,674	909,678
<i>Taxation creditors</i>		
Taxation and social welfare creditors:		
PAYE	20,393	20,846
National insurance contributions	30,593	33,749
Corporation tax	-	46,591
	50,986	101,186

13 Provision for liabilities

	2015 STG£	2014 STG£
<i>Deferred taxation</i>		
At beginning of year	174,880	177,726
Movement to profit and loss account (note 8)	11,605	(2,846)
At end of year	186,485	174,880

Deferred taxation consists of full provision for timing differences on fixed assets.

14 Called up share capital

	2015 STG£	2014 STG£
<i>Authorised</i>		
200,000 ordinary shares of STG£1 each	200,000	200,000
<i>Allotted, called up and fully paid</i>		
200,000 ordinary shares of STG£1 each	200,000	200,000

HCF Poultry Limited

Notes (continued)

15 Profit and loss account

	2015 STG£	2014 STG£
At beginning of year	3,652,543	3,274,438
Profit for the financial year	312,655	378,105
At end of year	3,965,198	3,652,543

16 Reconciliation of movement in shareholders' funds

	2015 STG£	2014 STG£
Total recognised gains for the year	312,655	378,105
Opening shareholders' funds	4,470,650	4,092,545
Closing shareholders' funds	4,783,305	4,470,650

17 Reconciliation of operating profit to net cash inflow from operating activities

	2015 STG£	2014 STG£
Operating profit	405,220	467,676
Depreciation on tangible fixed assets	170,006	171,032
Decrease/(increase) in debtors	730,927	(521,549)
(Increase)/decrease in stocks	(711,250)	1,535,982
Decrease in creditors	(6,413)	(952,016)
Net cash inflow from operating activities	588,490	701,125

18 Analysis of changes in cash during the year

	2014 STG£	Cashflows STG£	2015 STG£
Cash at bank and in hand	1,070,565	320,756	1,391,321

HCF Poultry Limited

Notes *(continued)*

19 Immediate parent undertaking

It is the opinion of the directors that, during the period, Brixton Global Equity Fund was the company's immediate parent undertaking. Subsequent to the year end, the directors acquired the shares held by Brixton Global Equity Fund and they now control 100% of the company's share capital.

20 Post balance sheet events

There are no significant post balance sheet events which affect the financial statements of the company.

21 Approval of financial statements

The directors approved these financial statements on 22 December 2015.