Piccadilly Meats Ltd
5180233

Westbridge Food Group Limited

Annual report and consolidated financial statements

Registered number 06345373

31 December 2019

Contents

Strategic Report

Principal activities

The principal activity of the company during the year was a holding company of a group whose principal activity is trading poultry.

Business review

The trading result for the year was in line with expectations.

The Group reported strong sales growth as a result of developing new and innovative food products for existing and new customers. The Group's core business continues to be poultry trading. In addition it offers a range of fish and party food lines to provide the customer with enhanced retail and food service solutions.

Net Profit is impacted by the mark-to-market valuation of open foreign exchange contracts at the balance sheet date. These contracts hedge future purchase contracts, however the gain or loss reported on them can vary significantly depending on market exchange rates at the period close. For this reason a Net Profit comparative excluding open derivative valuation is added to the key performance indicators below, which more accurately represents trading performance in the period.

Key performance indicators

	2019	2018
Turnover (£000)	**328,146**	228,670
Gross Margin % (being Gross Profit divided by Turnover)	**3.88%**	5.87%
Administrative Expenses (£000)	**7,437**	7,835
Net profit (being profit on ordinary activities before taxation (£000))	**919**	2,639
Net profit (being profit on ordinary activities before taxation excluding open derivative valuation (£000))	**2,503**	1,167

Principal risks and uncertainties

The financial risks of the Group are described below.

Legislative risk

The Group is subject to EU quota legislation on poultry imported from outside of the EU and any change in requirements from the Brexit trade discussions could affect future performance.

Financial risk management

The Group's operations expose it to a variety of financial risks that include the effects of movements in exchange rates, changes in credit risk, liquidity risk and interest rate risk. The Group has in place a risk management programme that is described below.

Exchange rate risk

The Group is exposed to translation and transaction foreign exchange risk. In relation to translation risk, as far as possible the assets held in the foreign currency are matched to an appropriate level of borrowings in the same currency. Transactional foreign exchange risk is mitigated by entering into forward foreign exchange contracts which are matched, as far as possible to forecast supplier purchases and customer deliveries. Whilst the aim is to achieve a minimum cost from currency exposures by the use of derivatives the Group does not adopt an accounting policy of hedge accounting for these financial statements.

Credit risk

The Group's principal financial assets are cash and trade debtors. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit rating agencies. The principal credit risk arises therefore from its trade debtors. In order to manage credit risk the directors have credit insurance in place and frequently monitor and review customer credit ratings.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs through forecasting and to invest cash assets safely and profitably.

Interest rate risk

The Group is exposed to interest rate fluctuations on its borrowings as the majority of its bank facilities are at floating rates. With interest rates having remained relatively stable for a number of years and no obvious indications that this will change in the short to medium term, the Group feel their exposure to material interest rate changes is low.

Brexit

The Group recognises the outcome of the forthcoming trade negotiations could affect future financial performance. The Directors regularly review the latest developments to assess how, particularly in respect of free trade agreements, import quotas and tariffs could affect the supply chain in the future. The Group's diversified supply base, industry knowledge and strong relationships enable the Directors to feel confident that the Group will continue to thrive and be the partner of choice for customers in the future.

Covid-19

The impact of the Covid-19 outbreak in 2020 has changed consumer consumption. Initially sales to foodservice, quick-service restaurants and food-to-go establishments has reduced, whilst retail channels have seen an increase in demand. As government restrictions on social distancing have relaxed, food outlets have modified their sales opportunity, and demand has improved.

Financially the Group is in good financial health, has not required to access Government Covid-19 loans, and continues to trade profitably in 2020.

Future events

In 2020, the Group intends to amalgamate the operations of C.P. Foods (UK) Limited, a jointly-managed fellow group member of the ultimate parent, Charoen Pokphand Foods Public Company Limited. This will significantly increase the size and simplify the combined operations of the Group.

S172 (1) Statement

The directors consider that, as set out under section 172(1) of the Companies Act 2006, they have, in good faith, acted in a way that they consider would promote the success of the Company. In doing so, the directors have given due regard to the interests of key stakeholder groups and have assessed the likely consequences of decisions on the Group's long-term performance and its reputation.

The following elements inform all of the board's decision-making processes:

Strategy – During board and shareholder review meetings, the directors review strategic progress and key performance indicators. The Company shares the performance and annual objectives with all employees in a collective forum, allowing all voices to be heard, in a collaborative way.

Performance – The directors regularly review the performance of the company, taking into account how significant future events (for example Brexit, Covid-19, Regulation changes) could impact the Company's projected forecasted performance, and deciding the best course of action.

Governance – The directors are committed to ensuring good governance, beginning with the foundation of strong internal controls, and a company culture where employees have open access to management at all levels. All employees are encouraged to be curious, to speak up if they witness anything requiring further investigation, and to offer new ideas or initiatives that will strengthen existing processes and procedures.

All employees receive a company handbook with code of conduct, ethics and compliance information, which the company regularly reviews and updates to meet changing business needs.

As part of good governance, the directors ensure that the balance sheet of the company is robust. This is the cornerstone of our ability to weather differing economic cycles, enabling us to raise additional borrowing as required, make the necessary investments from which to grow, and provide assurance to our supply chain partners. Consequently, following another year of profitable growth, the directors have not proposed a dividend distribution.

Strategic Report *(continued)*

Below are our key stakeholders and how we have engaged with them in the decision-making process:

Customers

Westbridge Foods Group is committed to help our customers thrive in the markets in which they operate. The directors and management play a key role to ensure this is done in a safe, efficient and ethical manner, throughout the supply chain from origination to delivery destination. The company's approach is to create long term partnerships, prioritising the customer, listening to feedback, developing new innovative products, and reducing risk in the supply chain. As a result of this approach we have built a growing business

Employees

Westbridge Food Group has a strong commitment to its workforce. We recognise that our people are our most valuable asset, fundamental to the success of the Company, and striving to exceed our stakeholder's expectations. We make a conscious effort to attract and retain high calibre staff, offering equal opportunities and without discrimination. The success of individuals and teams enables the Company to achieve its objectives, which enables growth and further opportunities for individuals to prosper in their careers.

Suppliers and other business partners

The reputation and strength of Westbridge Food Group is built upon the trust the company has developed with its supply chain partnerships. Together we form a critical function to meet the needs of our joint customers. The company operates very closely with suppliers to create reliable and robust relationships, through which our customers can be assured that orders will be delivered on time, in full.

Shareholders

Our shareholders are vital for the future success of the company. Our ultimate shareholders, through our parent company, provide their strategic vision and support for the future growth and direction of the company. In return, we provide market intelligence, regular performance updates, offer growth opportunities and add value our parent company in support of the overall group business plan.

Community and Environment

The Company understands it carries a responsibility in the communities and geographies in which it operates. In doing so, the company aims to source goods and services from local suppliers where economically possible, and make donations to local charities, often supporting employee identified charities. In order to minimise the impact on the environment the company seeks to continuously drive efficiencies in its supply chains, for example maximising order loads where possible. The directors recognise that adopting environmentally-friendly policies can also benefit the success of the company, both financially and in respect of our customer and supplier expectations. The impact of the COVID-19 pandemic has identified opportunities to reduce some journeys, hold more virtual meetings and the company has offered environmentally friendly options when renewing some car leases.

By order of the board

J Middleton
Director

18 September 2020

Directors' report

The directors present their annual report and consolidated financial statements for the year ended 31 December 2019.

Directors

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

J Middleton

N C Shaw

D J Hurley

P Boondoungprasert

P Chalongchaichan

S Lasomboon

P Ohmpornnuwat

S Yingchankul

Political and charitable contributions

During the year, the Company made charitable donations of £11,330 *(2018: £25,059)*. The Company made no political donations in either the current or preceding 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 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.

Going Concern

An overview of the business activities of Group, including a review of the key business risks that the Group faces, is given in the Strategic Report on page 1.

The Directors have prepared trading and cash flow forecasts for the 12-month period from the date of approval of these financial statements. These forecasts show that the Group has sufficient financial resources to meet its obligations as they fall due for the period of at least 12 months from the date of these financial statements. The forecasts make assumptions in respect of future market conditions and the potential impact of COVID-19 related disruption on demand and supply chains based on our experience in the second quarter of 2020. The forecasts take into account some variability of potential outcomes, to an extent which the directors consider represent their best estimate of the future based on the information that is available to them at the time of approval of these financial statements.

The directors have also prepared a downside forecast which incorporates certain adverse sensitivities which the directors consider most likely to impact cash flows over the period of the forecast, including further reductions in foodservice and food-to-go demand, as a result of multiple COVID-19 trading restrictions. These have been assumed to result in a further lock-down in October and November 2020 and then a similar pattern of lockdowns during 2021, bringing sales in the lockdown months to the level experienced during the April 2020 lockdown. This downside forecast also confirms the Group's ability to continue as a going concern.

The Group is financed through various bank loans, many of which are short term revolving loans. As these loans are not committed for the whole of the forecast period, the directors have sought confirmation by way of a letter of group support from its main trading partner, C.P. Merchandising Co. Ltd, whose ultimate parent is the Charoen Pokphand Foods Public Company Limited. The letter of group support indicates financial support enabling Westbridge Food Group Limited to satisfy any debts or obligations that fall due for the 12 month period following the signing date of the Statutory Accounts. As with any company placing reliance on other group or parent entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors are of the view that they can reasonably conclude that the Group has adequate resources to continue in operational existence for the foreseeable future and they can continue to adopt the going concern basis in preparing the financial statements. Accordingly, the financial statements have been prepared on a going concern basis and these financial statements do not include any adjustments that would result if the going concern basis of preparation was inappropriate.

Dividends

No dividends were declared in 2019, and the directors are proposing not to declare a dividend in 2020.

Auditor

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

J Middleton
Director

Polonia House Enigma Commercial Centre,
Sandy's Rd,
Malvern
WR14 1JJ
Date: 18 September 2020

Statement of directors' responsibilities in respect of the Strategic report, 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 group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

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 group and parent company and of their profit or loss for that period. In preparing each of the group and parent company 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;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

Independent auditor's report to the members of Westbridge Food Group Limited

Opinion

We have audited the financial statements of Westbridge Food Group Limited ("the company") for the year ended 31 December 2019 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company statement of Changes in Equity and Consolidated Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Xavier Timmermans (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

21 September 2020

Consolidated Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2019

	Note	2019 £000	2018 £000
Turnover	2	**328,146**	228,670
Cost of sales	13	**(315,398)**	(215,249)
Gross profit		**12,748**	13,421
Distribution costs		**(4,145)**	(2,794)
Administrative expenses		**(7,437)**	(7,835)
Other operating income	3	**943**	32
Group operating profit		**2,109**	2,824
Group's share of profit in Joint Ventures	12	**94**	113
Other interest receivable and similar income	7	**26**	-
Interest payable and similar expenses	8	**(1,310)**	(298)
Profit before taxation		**919**	2,639
Tax on profit	9	**(262)**	(660)
Profit for the financial year		**657**	1,979
Other comprehensive income			
Foreign exchange differences on translation of foreign operations		**(3)**	222
Other comprehensive income for the year, net of income tax		**(3)**	222
Total comprehensive income for the year		**654**	2,201

The notes on pages 16 to 36 form part of these financial statements.

Consolidated Balance Sheet
at 31 December 2019

	Note	2019 £000	£000	2018 £000	£000
Fixed assets					
Goodwill	10	**2,542**		3,065	
Software	10	**126**		159	
Tangible assets	11	**422**		51	
Investments in Joint Ventures	12	**91**		87	
			3,181		3,362
Current assets					
Stocks	13	**68,493**		51,659	
Debtors	14	**73,307**		36,167	
Cash at bank and in hand	15	**27,715**		18,159	
		169,515		105,985	
Creditors: amounts falling due within one year	16	**(132,632)**		(69,887)	
Net current assets			**36,883**		36,098
Total assets less current liabilities			**40,064**		39,460
Provisions for liabilities					
Deferred tax liability	18	**-**		(50)	
			-		(50)
Net assets			**40,064**		39,410
Capital and reserves					
Called up share capital	19		**-**		-
Share premium account	19		**1,575**		1,575
Other reserves	19		**546**		549
Profit and loss account	19		**37,943**		37,286
Shareholders' funds			**40,064**		39,410

The notes on pages 16 to 36 form part of these financial statements.

These financial statements were approved by the board of directors on 18 September 2020 and were signed on its behalf by:

J Middleton
Director

Company registered number: 06345373

Company Balance Sheet
at 31 December 2019

	Note	2019 £000	£000	2018 £000	£000
Fixed assets					
Investments in subsidiaries	12	**9,364**		9,364	
Investments in Joint Ventures	12	**16**		16	
			9,380		9,380
Current assets					
Debtors	14	**4,735**		4,685	
Creditors: amounts falling due within one year	16	**(1,449)**		(6,335)	
Net current asset / (liabilities)			**3,286**		(1,650)
Total assets less current liabilities			**12,666**		7,730
Net assets			**12,666**		7,730
Capital and reserves					
Called up share capital	19		**-**		-
Share premium account	19		**1,575**		1,575
Profit and loss account	19		**11,091**		6,155
Shareholders' funds			**12,666**		7,730

The notes on pages 16 to 36 form part of these financial statements.

These financial statements were approved by the board of directors on 18 September 2020 and were signed on its behalf by:

J Middleton
Director

Company registered number: 06345373

Consolidated Statement of Changes in Equity
at 31 December 2019

	Called up Share capital	Share Premium account	Other reserve	Profit & loss account	Total equity
	£000	£000	£000	£000	£000
Balance at 1 January 2018	-	1,575	327	35,307	37,209
Total comprehensive income for the period					
Profit or loss	-	-	-	1,979	1,979
Other comprehensive income	-	-	222	-	222
Total comprehensive income for the period	-	-	222	1,979	2,201
Balance at 31 December 2018	-	1,575	549	37,286	39,410
Balance at 1 January 2019	-	1,575	549	37,286	39,410
Total comprehensive income for the period					
Profit or loss	-	-	-	657	657
Other comprehensive income	-	-	(3)	-	(3)
Total comprehensive income for the period	-	-	(3)	657	654
Balance at 31 December 2019	**-**	**1,575**	**546**	**37,943**	**40,064**

The notes on pages 16 to 36 form part of these financial statements.

Company Statement of Changes in Equity
at 31 December 2019

	Called up Share capital £000	Share Premium account £000	Other reserve £000	Profit & loss account £000	Total equity £000
Balance at 1 January 2018	-	1,575	-	6,009	7,584
Total comprehensive income for the period					
Profit or loss	-	-	-	146	146
Total comprehensive income for the period	-	-	-	146	146
Balance at 31 December 2018	-	1,575	-	6,155	7,730
Balance at 1 January 2019	-	1,575	-	6,155	7,730
Total comprehensive income for the period					
Profit or loss	-	-	-	4,936	4,936
Total comprehensive income for the period	-	-	-	4,936	4,936
Balance at 31 December 2019	-	**1,575**	-	**11,091**	**12,666**

The notes on pages 16 to 36 form part of these financial statements.

Consolidated Cash Flow Statement
for year ended 31 December 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Profit for the year		**657**	1,979
Adjustments for:			
Depreciation and amortisation	*10,11*	**606**	733
Impairment of goodwill		**-**	554
Net fair value of derivative loss/(gain) recognised in P&L	*4*	**1,584**	(1,625)
Loss on exchange rate	*4*	**1,626**	565
Interest receivable and similar income	*7*	**(26)**	-
Interest payable and similar expenses	*8*	**1,310**	298
Gain on disposal of tangible fixed assets	*3*	**(16)**	(2)
Group's share of profit in Joint Ventures	*12*	**(94)**	(113)
Taxation	*9*	**262**	660
		5,909	3,049
Increase in trade and other debtors		**(37,271)**	(6,017)
Increase in stocks		**(16,834)**	(27,433)
Increase in trade and other creditors		**34,369**	7,758
		(13,827)	(22,643)
Tax refund (paid)		**710**	(194)
Net cash from operating activities		**(13,117)**	(22,837)
Cash flows from investing activities			
Proceeds from disposal of tangible fixed assets		**16**	75
Interest received		**26**	-
Acquisition of tangible fixed assets	*11*	**(412)**	(36)
Acquisition of other intangible assets	*10*	**(36)**	(5)
Increase in short term loan to related company		**(1,700)**	-
Net cash from investing activities		**(2,106)**	34
Cash flows from financing activities			
Dividend income received from Joint Ventures	*12*	**86**	111
Increase in invoice financing and import loan		**11,395**	16,347
Increase in short term loan from financial institution		**4,000**	-
Increase in short term loan from related companies		**3,768**	-
Interest paid		**(1,310)**	(298)
Net cash from financing activities		**17,939**	16,160
Net increase/(decrease) in cash and cash equivalents		**2,716**	(6,643)
Cash and cash equivalents at 1 January		**(2,529)**	3,989
Effect of exchange rate fluctuations on cash held		**28**	125
Cash and cash equivalents at 31 December	*15*	**215**	(2,529)
Cash and cash equivalents at 31 December comprise:			
Cash at bank and in hand	*15*	**27,715**	18,159
Bank overdrafts	*15*	**(27,500)**	(20,688)
		215	(2,529)

The notes on pages 16 to 36 form part of these financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

Westbridge Food Group Limited (the "Company") is a Company Limited by shares and incorporated, domiciled and registered in the UK. The registered number is 06345373 and the registered address is Polonia House Enigma Commercial Centre, Sandy's Road, Malvern, Worcestershire, WR14 1JJ.

These Group and parent Company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (*"FRS 102"*) as issued in August 2015. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included a second time.
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1.17.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial instruments classified at fair value through the profit or loss. Joint ventures measured at using the equity method in the consolidated financial statements and at historical cost in the company accounts.

1.2 Going concern

An overview of the business activities of Group, including a review of the key business risks that the Group faces, is given in the Strategic Report on page 1.

The Directors have prepared trading and cash flow forecasts for the 12-month period from the date of approval of these financial statements. These forecasts show that the Group has sufficient financial resources to meet its obligations as they fall due for the period of at least 12 months from the date of these financial statements. The forecasts make assumptions in respect of future market conditions and the potential impact of COVID-19 related disruption on demand and supply chains based on our experience in the second quarter of 2020. The forecasts take into account some variability of potential outcomes, to an extent which the directors consider represent their best estimate of the future based on the information that is available to them at the time of approval of these financial statements.

The directors have also prepared a downside forecast which incorporates certain adverse sensitivities which the directors consider most likely to impact cash flows over the period of the forecast, including further reductions in foodservice and food-to-go demand, as a result of multiple COVID-19 trading restrictions. These have been assumed to result in a further lock-down in October and November 2020 and then a similar pattern of lockdowns during 2021, bringing sales in the lockdown months to the level experienced during the April 2020 lockdown. This downside forecast also confirms the Group's ability to continue as a going concern.

The Group is financed through various bank loans, many of which are short term revolving loans. As these loans are not committed for the whole of the forecast period, the directors have sought confirmation by way of a letter of group support from its main trading partner, C.P. Merchandising Co. Ltd, whose ultimate parent is the Charoen Pokphand Foods Public Company Limited. The letter of group support indicates financial support enabling Westbridge Food

Notes *(continued)*

1 Accounting policies *(continued)*

Group Limited to satisfy any debts or obligations that fall due for the 12 month period following the signing date of the Statutory Accounts. As with any company placing reliance on other group or parent entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors are of the view that they can reasonably conclude that the Group has adequate resources to continue in operational existence for the foreseeable future and they can continue to adopt the going concern basis in preparing the financial statements. Accordingly, the financial statements have been prepared on a going concern basis and these financial statements do not include any adjustments that would result if the going concern basis of preparation was inappropriate.

1.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2019. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

A joint venture is a contractual arrangement undertaking in which the Group exercises joint control over the operating and financial policies of the entity. Where the joint venture is carried out through an entity, it is treated as a jointly controlled entity. The Group's share of the profits less losses of associates and of jointly controlled entities is included in the consolidated profit and loss account and its interest in their net assets is recorded on the balance sheet using the equity method.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries and jointly controlled entities are carried at cost less impairment.

1.4 Foreign currency

Transactions in foreign currencies are translated to the Group companies' functional currency 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 retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account except for differences arising on the retranslation of qualifying cash flow hedges and items which are fair valued with changes taken to other comprehensive income, which are recognised in other comprehensive income.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Notes *(continued)*

1 Accounting policies *(continued)*

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.6 Other financial instruments

Financial instruments not considered to be Basic financial instruments (Other financial instruments)

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out below.

Derivative financial instruments and hedging

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

Fair value hedges

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in profit or loss. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the income statement (even if those gains would normally be recognised directly in reserves).

If hedge accounting is discontinued and the hedged financial asset or liability has not been derecognised, any adjustments to the carrying amount of the hedged item are amortised into profit or loss using the effective interest method over the remaining life of the hedged item.

The Group has not opted for hedge accounting, hence all changes in fair value are recognised in the profit or loss account.

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

L/Term Leasehold Property	5-10 years
Equipment, tools and machinery	3-5 years
Motor vehicles	4-5 years
Fixtures, Fittings and office equipment	2-5 years

Notes *(continued)*

1 Accounting policies *(continued)*

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.8 Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the group recognises goodwill at the acquisition date as:

- the fair value of the consideration (excluding contingent consideration) transferred; plus
- estimated amount of contingent consideration (see below); plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

When the excess is negative, this is recognised and separately disclosed on the face of the balance sheet as negative goodwill.

Consideration which is contingent on future events is recognised based on the estimated amount if the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.

1.9 Intangible assets, goodwill and negative goodwill

Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Other intangible assets

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

The cost of intangible asset acquired in a business combination are capitalised separately from goodwill if the fair value can be measured reliably at the acquisition date.

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Software	3-10 years

The basis for choosing these useful lives is management's best estimate of the useful life of this intangible.

Goodwill is amortised on a straight line basis over its useful life. Goodwill has no residual value. The finite useful life of goodwill is estimated to be 10 to 20 years.

The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs

Notes *(continued)*

1 Accounting policies *(continued)*

including import duties on purchase of stock and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

1.11 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the entity's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

1.12 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.13 Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the parent Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability in its individual financial statements until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Notes *(continued)*

1 Accounting policies *(continued)*

1.14 Turnover

Turnover represents the invoiced value, net of value added tax, of goods sold to customers. Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured which is on the date of dispatch to customer.

1.15 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable, finance expenses on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.16 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes *(continued)*

1 Accounting policies *(continued)*

1.17 Accounting estimates and judgements

The preparation of the consolidated financial statements requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods impacted.

The key judgements and estimates employed in the financial statements are considered below.

Valuation of other intangible assets

The assessment of fair value in a business combination requires the recognition and measurement of the identifiable assets, liabilities and contingent liabilities in the acquired business. The key judgements required are the identification of intangible assets meeting the recognition criteria of Section 18 of FRS102 and their attributable fair values. The key assumptions in relation to the customer relationship valuation are the Directors' best estimate of its life and discount rate used in its valuation. The value of customer relationship assets are based on a calculation of expected future cash flows, which include estimates of future performance.

Stock

Stock are valued at the lower of cost and net realisable value, being the estimated selling price based on industry knowledge less costs to complete and sell. Provisions are held in respect of slow-moving stock.

Notes *(continued)*

2 Turnover

	2019 **£000**	2018 £000
Sale of goods	**328,146**	228,670
By geographical market		
United Kingdom	**271,784**	186,210
Europe	**56,023**	42,460
Australia	**339**	-
	328,146	228,670

The whole of the turnover is attributable to the trade of poultry, fish and party food.

3 Other operating income

	2019 **£000**	2018 £000
Management Fee Income	**927**	30
Gain on sales of fixed assets	**16**	2
	943	32

4 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2019 **£000**	2018 £000
Salaries, wages and employee expenses	**4,309**	4,549
Loss/(gain) on exchange rate	**3,210**	(1,060)
Amortisation of software and goodwill	**565**	653
Operating lease rentals	**399**	387
Depreciation of tangible fixed assets	**41**	80
Stock (reversal) provision	**(329)**	942
Impairment of goodwill	-	554

Auditor's remuneration:

Audit of these financial statements

Amounts receivable by the company's auditor and its associates in respect of:		
Audit of financial statements of subsidiaries of the company	**83**	88
Taxation compliance services	**23**	14
Other tax advisory services	-	2

Notes *(continued)*

5 Staff numbers and costs

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

	Number of employees	
	2019	2018
Number of administrative staff	**69**	64
Number of distribution staff	**10**	9
Number of management staff	**5**	4
Number of production staff	**-**	6
	84	83

The aggregate payroll costs of these persons were as follows:

	2019	2018
	£000	£000
Wages and salaries	**3,952**	3,861
Social security costs	**228**	401
Contributions to defined contribution plans	**129**	287
	4,309	4,549

6 Directors' remuneration

	2019	2018
	£000	£000
Directors' emoluments	**810**	992
Company contributions to money purchase pension schemes	**25**	23

The aggregate of emoluments of the highest paid director was £202 thousand *(2018: £ 267 thousand)* and Company pension contributions of £ NIL *(2018: £NIL)* were made to a money purchase pension scheme on his behalf.

	Number of directors	
	2019	2018
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	**2**	2

7 Other interest receivable and similar income

	2019	2018
	£000	£000
Interest receivable from related party	**15**	-
Other interest receivable	**11**	-
	26	-

8 Interest payable and similar expenses

	2019	2018
	£000	£000
Interest on bank loans	**1,070**	298
Loans from related party	**240**	-
	1,310	298

Notes *(continued)*

9 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2019 £000	£000	2018 £000	£000
UK corporation tax				
Current tax on income for the period	736		163	
Adjustments in respect of previous periods	(67)		(134)	
Foreign corporation tax				
Current tax on income for the period	59		130	
Adjustments in respect of previous periods	59		-	
Total current tax		787		159
Deferred tax (see note 18)				
Origination and reversal of timing differences	(534)		331	
Adjustments in respect of prior periods	9		170	
Total deferred tax		(525)		501
Total tax		262		660

All of the above tax charges/(credits) have been recognised in the profit and loss account.

Reconciliation of effective tax rate

The current year tax charge is higher *(2018: higher)* than the standard rate of corporation tax in the UK of 19.00% *(2018: 19.00%)*. The differences are explained below:

	2019 £000	2018 £000
Profit for the year	657	1,979
Total tax (charges)/credits	(262)	(660)
Profit excluding taxation	919	2,639
Tax using the UK corporation tax rate of 19.00 % *(2018: 19.00%)*	175	502
Effect of:		
Non-deductible expenses	62	29
Fixed asset differences	-	24
Utilisation of tax losses – carried back	4	-
Other permanent differences	42	193
Adjustments to tax charge in respect of prior periods	(8)	(134)
Adjustment to deferred tax in respect of prior periods	9	170
Differences between foreign entities and UK tax rate	(67)	(64)
Tax rate differences	63	(38)
Joint Venture	(18)	(22)
Total tax expense included in profit or loss	262	660

Factors that may affect future current and total tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset/liability as at 31 December 2019 has been calculated based on this rate. In the 11 March 2020 Budget, it was announced that the UK tax rate will remain at the current 19% and not reduce to 17% from 1 April 2020. This will have a consequential effect on the company's future tax charge.

Notes *(continued)*

10 Goodwill and software

Group	Goodwill £000	Software £000	Total £000
Cost			
Balance at 1 January	7,624	392	8,016
Additions	-	36	36
Write Off	-	(63)	(63)
Balance at 31 December	7,624	365	7,989
Amortisation and impairment			
Balance at 1 January	4,559	233	4,792
Amortisation for the year	496	69	565
Write Off	-	(63)	(63)
Effect of movements in foreign exchange	27	-	27
Balance at 31 December	5,082	239	5,321
Net book value			
At 31 December 2019	**2,542**	**126**	**2,668**
At 31 December 2018	3,065	159	3,224

Amortisation and impairment charge

The amortisation, impairment charge and impairment reversals are recognised in administrative expenses within the profit and loss account.

11 Tangible fixed assets

Group	L/Term Leasehold Property £000	Equipment , tools and machinery £000	Motor vehicles £000	Fixtures, Fittings and office equipment £000	Assets in Construction £000	Total £000
Cost						
Balance at 1 January	105	146	133	417	-	801
Additions	-	11	73	20	308	412
Disposals	-	-	(58)	-	-	(58)
Effect of movements in foreign exchange	5	6	4	-	-	15
Balance at 31 December	110	163	152	437	308	1,170
Depreciation						
Balance at 1 January	92	133	129	396	-	750
Depreciation charge for the year	10	5	8	18	-	41
Disposals	-	-	(58)	-	-	(58)
Effect of movements in foreign exchange	4	6	6	(1)	-	15
Balance at 31 December	106	144	85	413	-	748
Net book value						
At 31 December 2019	**4**	**19**	**67**	**24**	**308**	**422**
At 31 December 2018	13	13	4	21	-	51

Notes *(continued)*

12 Fixed asset investments

Group

	Interests in Joint Ventures £000
Cost or valuation	
Balance at 1 January	87
Share of profit	94
Dividend received	(86)
Effect of movements in foreign exchange	(4)
Balance at 31 December	91
Net book value	
At 31 December 2019	**91**
At 31 December 2018	87

Company

	Investment in subsidiary companies £000	Investment in joint ventures £000	Total £000
Cost			
At beginning of year and end of year	9,364	16	9,380
Net book value			
At 31 December 2019	**9,364**	**16**	**9,380**
At 31 December 2018	9,364	16	9,380

The undertakings in which the Group's and Company's interest at the year-end is more than 20% are as follows.

	Principal activity	Country of incorporation	Registered number	Class of share	Ownership interest (%)
Subsidiary undertakings					
Westbridge Foods Limited[1]	Importer and distributor of meat and ready meals	United Kingdom	03443712	Ordinary	100 %
Westbridge Food (Haydock) Limited[1],	Importer of poultry meat products	United Kingdom	04289793	Ordinary	100 %
Wignall Holdings Limited[1]	Dormant	United Kingdom	04975428	Ordinary	100 %
Food Trac Limited[1]	Distribution of meat products	United Kingdom	04947328	Ordinary	100 %
Westbridge Foods (Thailand) Limited	Provision and development for food product	Thailand	0105549017911	Ordinary	100 %
Westbridge (Qingdao)Trading Co Limited	Provision and development for food product	China	913702146790628137	Ordinary	100 %
Westbridge Foods (France) SARL	Distribution of meat products	France	511157372	Ordinary	100 %
Westbridge Holding B.V.	Investment	Netherlands	55690742	Ordinary	100 %

Notes *(continued)*

12 Fixed asset investments *(continued)*

	Principal activity	*Country of incorporation*	*Registered number*	*Class of share*	*Ownership interest (%)*
Subsidiary undertakings					
AB Chicken Ltd[1]	Importer of poultry meat products	United Kingdom	06378922	Ordinary	100 %
Abbeycroft Poultry Ltd[1], [2]	Importer of poultry meat products	United Kingdom	06582386	Ordinary	100 %
Action Poultry Ltd[1], [2]	Importer of poultry meat products	United Kingdom	07188239	Ordinary	100 %
AF Chicken Ltd[1]	Importer of poultry meat products	United Kingdom	06378107	Ordinary	100 %
Ancona Poultry Ltd[1], [2]	Importer of poultry meat products	United Kingdom	07467663	Ordinary	100 %
Andalusian Poultry Ltd[1], [2]	Importer of poultry meat products	United Kingdom	07467761	Ordinary	100 %
Appenzeller Poultry Ltd[1], [2]	Importer of poultry meat products	United Kingdom	07467750	Ordinary	100 %
Araucana Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07467737	Ordinary	100 %
Arun Foods Ltd[1]	Importer of poultry meat products	United Kingdom	07484940	Ordinary	100 %
Ashop Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07484910	Ordinary	100 %
Avon Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07484887	Ordinary	100 %
Bantams Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	06582315	Ordinary	100 %
Barbu Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07467726	Ordinary	100 %
Barnevelder Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07467808	Ordinary	100 %
Beacon Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	06904517	Ordinary	100 %
Belmont Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07188014	Ordinary	100 %
Brahma Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	06582569	Ordinary	100 %
Bransford Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	06734575	Ordinary	100 %
Breinton Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07188017	Ordinary	100 %
Brookfield Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07056456	Ordinary	100 %
Buff Rock Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07467818	Ordinary	100 %
Caldew Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07485220	Ordinary	100 %
Chancel Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	06581940	Ordinary	100 %
Chase End Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	06904507	Ordinary	100 %
Chick-A-Dee Foods Ltd[1]	Importer of poultry meat products	United Kingdom	06582450	Ordinary	100 %
Chunky Chicken Ltd[1]	Importer of poultry meat products	United Kingdom	04706129	Ordinary	100 %
Church Street Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	05276205	Ordinary	100 %
Croad Langshan Foods Ltd[1]	Importer of poultry meat products	United Kingdom	07467796	Ordinary	100 %
Defford Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	06734556	Ordinary	100 %
Derwent Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07484986	Ordinary	100 %
Dochart Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07485739	Ordinary	100 %
Dorking Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07468067	Ordinary	100 %
Dulas Poultry Ltd[1]	Importer of poultry meat products	United Kingdom	07188167	Ordinary	100 %
DW Chicken Ltd[1]	Importer of poultry meat products	United Kingdom	06366757	Ordinary	100 %
Easy Cookin' Ltd[1]	Importer of poultry meat products	United Kingdom	03855460	Ordinary	100 %

Notes *(continued)*

12 Fixed asset investments *(continued)*

	Principal activity	Country of incorporation	Registered number	Class of share	Ownership interest (%)
Subsidiary undertakings					
Eddleston Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484939	Ordinary	100 %
Eden Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07485055	Ordinary	100 %
Fabrica Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484808	Ordinary	100 %
Faverolls Foods Ltd(1)	Importer of poultry meat products	United Kingdom	07484439	Ordinary	100 %
Fayoumi Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484281	Ordinary	100 %
Fields International Ltd(1)	Importer of poultry meat products	United Kingdom	03925460	Ordinary	100 %
Fleche Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484559	Ordinary	100 %
Fleet Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07485783	Ordinary	100 %
Fomentum Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484859	Ordinary	100 %
Fownhope Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07056458	Ordinary	100 %
Frome Foods Ltd(1)	Importer of poultry meat products	United Kingdom	07484917	Ordinary	100 %
Gallina Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484900	Ordinary	100 %
Gaur Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07485805	Ordinary	100 %
Goodness Me Ltd(1)	Importer of poultry meat products	United Kingdom	03779776	Ordinary	100 %
Gorsty Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07188249	Ordinary	100 %
Gover Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484977	Ordinary	100 %
Great Malvern Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	05941464	Ordinary	100 %
Hamburg Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484440	Ordinary	100 %
Harbourne Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484980	Ordinary	100 %
Holms Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07485239	Ordinary	100 %
Ixworth Foods Ltd(1)	Importer of poultry meat products	United Kingdom	07484443	Ordinary	100 %
JPS Foods Ltd(1)	Importer of poultry meat products	United Kingdom	06582393	Ordinary	100 %
Kraienkoppe Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484553	Ordinary	100 %
Little Birch Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07188065	Ordinary	100 %
Little Malvern Foods Ltd(1)	Importer of poultry meat products	United Kingdom	05941270	Ordinary	100 %
Malvern Chickens Ltd(1)	Importer of poultry meat products	United Kingdom	06581946	Ordinary	100 %
Malvern Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	05276197	Ordinary	100 %
Maran Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484546	Ordinary	100 %
Meavy Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484982	Ordinary	100 %
MM Chicken Ltd(1)	Importer of poultry meat products	United Kingdom	06362592	Ordinary	100 %
Norfolk Grey Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484541	Ordinary	100 %
North Hill Chicken Ltd(1)	Importer of poultry meat products	United Kingdom	06904496	Ordinary	100 %
Nutrimens Foods Ltd(1)	Importer of poultry meat products	United Kingdom	07484836	Ordinary	100 %
Old English Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484327	Ordinary	100 %
Orpington Foods Ltd(1)	Importer of poultry meat products	United Kingdom	07485216	Ordinary	100 %

Notes *(continued)*

12 Fixed asset investments *(continued)*

	Principal activity	Country of incorporation	Registered number	Class of share	Ownership interest (%)
Subsidiary undertakings					
Pekin Foods Ltd(1)	Importer of poultry meat products	United Kingdom	07484582	Ordinary	100 %
Pinnacle Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07056374	Ordinary	100 %
Plas Gwyn Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484966	Ordinary	100 %
Plymouth Rock Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484575	Ordinary	100 %
Potterton Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07485757	Ordinary	100 %
Redcap Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07467872	Ordinary	100 %
Rhode Island Red Poultry Ltd(1),(2)	Importer of poultry meat products	United Kingdom	07484623	Ordinary	100 %
Roe Beck Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07485332	Ordinary	100 %
Rosecombe Foods Ltd(1),(2)	Importer of poultry meat products	United Kingdom	07485755	Ordinary	100 %
S & P Meats Ltd(1)	Importer of poultry meat products	United Kingdom	04198962	Ordinary	100 %
Shipley Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07485013	Ordinary	100 %
Shires Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	05941271	Ordinary	100 %
Sicilian Buttercup Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484735	Ordinary	100 %
Silkie Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484758	Ordinary	100 %
Spring Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07044637	Ordinary	100 %
Staunton Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07188159	Ordinary	100 %
Strattan Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484883	Ordinary	100 %
Summer Hill Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	06904337	Ordinary	100 %
Sussex Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484762	Ordinary	100 %
Swindale Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07485729	Ordinary	100 %
Swinyard Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07044373	Ordinary	100 %
Tarff Poultry Limited(1)	Importer of poultry meat products	United Kingdom	07485723	Ordinary	100 %
Tarrington Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07187970	Ordinary	100 %
Tocketts Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07486010	Ordinary	100 %
Upton Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	06393584	Ordinary	100 %
Verydene Ltd(1)	Importer of poultry meat products	United Kingdom	04706130	Ordinary	100 %
Vorwerk Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484786	Ordinary	100 %
Welland Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	06734518	Ordinary	100 %
Welsummer Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484805	Ordinary	100 %
Westbridge International Ltd(1)	Importer of poultry meat products	United Kingdom	03653902	Ordinary	100 %
Wignall Chicken Ltd(1)	Importer of poultry meat products	United Kingdom	05867321	Ordinary	100 %
Wignall Holdings Limited(1)	Importer of poultry meat products	United Kingdom	04975428	Ordinary	100 %
Wignall Products Ltd(1)	Importer of poultry meat products	United Kingdom	05867482	Ordinary	100 %
Wyandotte Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07484784	Ordinary	100 %
Wye Poultry Ltd(1)	Importer of poultry meat products	United Kingdom	07056446	Ordinary	100 %

Notes *(continued)*

12 Fixed asset investments *(continued)*

	Principal activity	Country of incorporation	Registered number	Class of share	Ownership interest (%)
Subsidiary undertakings					
Yokohama Poultry Ltd(1),(2)	Importer of poultry meat products	United Kingdom	07484831	Ordinary	100 %
Abridge Altilis Ltd(1)	Importer of poultry meat products	United Kingdom	06012009	Ordinary	100 %
Chafford Meats Ltd	Importer of poultry meat products	United Kingdom	07377979	Ordinary	100 %
Hornchurch Ltd(1)	Importer of poultry meat products	United Kingdom	05180290	Ordinary	100 %
Kent Meats Ltd(1)	Importer of poultry meat products	United Kingdom	07378002	Ordinary	100 %
Piccadilly Meats Ltd(1)	Importer of poultry meat products	United Kingdom	05180233	Ordinary	100 %
Shenfield Meats Ltd(1)	Importer of poultry meat products	United Kingdom	05483058	Ordinary	100 %
Southend Meats Ltd(1)	Importer of poultry meat products	United Kingdom	07377987	Ordinary	100 %
Southwold Meats Ltd(1)	Importer of poultry meat products	United Kingdom	07377975	Ordinary	100 %
Upminster Meats Ltd(1)	Importer of poultry meat products	United Kingdom	05483060	Ordinary	100 %
Wickford Meats Ltd(1)	Importer of poultry meat products	United Kingdom	05180239	Ordinary	100 %
Woodbridge Meats Ltd(1)	Importer of poultry meat products	United Kingdom	07377976	Ordinary	100 %
Woodside Meats Ltd(1)	Importer of poultry meat products	United Kingdom	07378001	Ordinary	100 %
Prosper 50 B.V.	Importer of poultry meat products	Netherlands	34359998	Ordinary	100 %
Prosper 52 B.V.	Importer of poultry meat products	Netherlands	50802828	Ordinary	100 %
Prosper 60 B.V.	Importer of poultry meat products	Netherlands	34360004	Ordinary	100 %
Prosper 62 B.V.	Importer of poultry meat products	Netherlands	50809067	Ordinary	100 %
Prosper 72 B.V.	Importer of poultry meat products	Netherlands	50808907	Ordinary	100 %
Prosper 82 B.V.	Importer of poultry meat products	Netherlands	50808796	Ordinary	100 %
Prosper 91 B.V.	Importer of poultry meat products	Netherlands	34390553	Ordinary	100 %
Joint ventures					
Westbridge Foods Europe BV	Importer of poultry meat products	Netherlands	52495256	Ordinary	50%

(1) An audit exemption

(2) In February and March 2020, Action Poultry Ltd is dissolved and transferred trade to Abbeycroft Poultry Ltd. Andalusian Poultry Ltd is dissolved and transferred trade to Ancona Poultry Ltd. Rhode Island Red Poultry Ltd, Rosecombe Foods Ltd and Yokohama Poultry Ltd are dissolved and transferred trade to Appenzeller Poultry Ltd

Under Section 479A to Section 479C of the Companies Act 2006, the wholly owned subsidiaries are taking advantage of an audit exemption for the year ended 31 December 2019 due to the existence of individual Company's guarantees of all liabilities for each of the above subsidiaries for the year ended 31 December 2019, excluding Westbridge Foods (Thailand) Limited, Westbridge (Qingdao) Trading Co Limited, Westbridge Foods (France) SARL and Westbridge Holding B.V. and its subsidiaries.

The registered office address of the above subsidiaries, excluding Westbridge Foods (Thailand) Limited, Westbridge (Qingdao)Trading Co Limited, Westbridge Foods (France) SARL and Westbridge Holding B.V. and its subsidiaries, is Polonia House Enigma Commercial Centre, Sandy's Road, Malvern, Worcestershire, WR14 1JJ.

The registered office address for Westbridge Foods (Thailand) Limited is 8 The Horizon Building, 3rd Floor, Sukhumvit 63, Prakanong Nua, Wattana, Bangkok 10110, Thailand.

Notes *(continued)*

12 Fixed asset investments *(continued)*

The registered office address for Westbridge (Qingdao) Trading Co Limited is Rm414, Building 23, 89 Changcheng Road, Chengyang subdistrict, Chengyang district, Qingdao city, Shandong province, China.

The registered office address for Westbridge Foods (France) SARL is 250 bis boulevard Saint-Germain, 75007 Paris, France.

The registered office address for Westbridge Holding B.V. and its subsidiaries is Ceresstraat 13, 4811 CA Breda, Netherlands.

13 Stocks

	Group		Company	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Finished goods	**68,493**	51,659	-	-

Stock recognised as cost of sales in the year amounted to £315 million *(2018 : £ 215 million)*

Stock for Group is stated net of impairment provision amounting to £0.6 million *(2018: £ 1 million)*. The movement in inventory provision during the year is as follows:

	Group		Company	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
At beginning of year	**994**	52	-	-
Reversal on sale of inventory	**(994)**	(52)	-	-
Provision during the year	**615**	994	-	-
	615	994	-	-

14 Debtors

	Group		Company	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Trade debtors	**46,394**	23,259	-	-
Amounts owed by related parties	**19,093**	3,547	**4,735**	4,684
Prepayments and accrued income	**3,639**	5,314	-	-
Other debtors	**2,006**	2,063	-	1
Short term loan to related party	**1,700**	-	-	-
Deferred tax assets (see note 18)	**475**	-	-	-
Other financial instruments (see note 20)	-	1,339	-	-
Tax recoverable	-	645	-	-
	73,307	36,167	**4,735**	4,685

Trade debtors are subject to invoice discounting with full recourse to the Group and therefore are still shown on the Group and Company balance sheet.

15 Cash and cash equivalents/ bank overdrafts

Group	**2019**	2018
	£000	£000
Cash at bank and in hand	**27,715**	18,159
Less: Bank overdrafts (see note 16, 17)	**(27,500)**	(20,688)
Cash and cash equivalents per cash flow statements	**215**	(2,529)

Notes *(continued)*

16 Creditors: amounts falling due within one year

	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Amounts owed to related parties	**45,499**	16,473	**1,400**	1,400
Invoice financing and import loan (see note 17)	**29,159**	17,764	**-**	-
Bank overdrafts (see note 17)	**27,500**	20,688	**37**	4,923
Accruals and deferred income	**11,488**	5,464	**-**	-
Trade creditors	**8,061**	8,622	**-**	-
Short term loans (see note 17)	**7,768**	-	**-**	-
Financial instruments (see note 20)	**1,584**	-	**-**	-
Corporation tax	**853**	-	**4**	8
Other creditors	**642**	675	**8**	4
Taxation and social security	**78**	201	**-**	-
	132,632	69,887	**1,449**	6,335

17 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's and parent Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Creditors falling due within less than one year				
Bank overdrafts	**27,500**	20,688	**37**	4,923
Invoice financing	**24,723**	14,149	**-**	-
Import loan	**4,436**	3,615	**-**	-
Short term loans	**7,768**	-	**-**	-
	64,427	38,452	**37**	4,923

Terms and debt repayment schedule

	Curr	Nominal interest rate	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Bank overdrafts	GBP	1.50% +Prevailing Bank of England Base Rate	**27,500**	20,688	**37**	4,923
Invoice financing	GBP	1.40% +Prevailing Bank of England Base Rate	**22,208**	12,094	**-**	-
Invoice financing	EUR	1.40% +Prevailing Bank of England Base Rate	**2,515**	2,055	**-**	-
Import loan	USD	1.50%+Bank's relevant Currency Base Rate	**4,436**	3,615	**-**	-
Short term loans from financial institution	GBP	3%	**4,000**	-	**-**	-
Short term loans from related company	USD	3 month LIBOR + 2.75% per annum	**3,768**	-	**-**	-
			64,427	38,452	**37**	4,923

Notes *(continued)*

18 Deferred tax assets and liabilities

Group	**Deferred taxation £000**
Balance at 1 January 2019	(50)
Charged to profit and loss for the year	525
Balance at 31 December 2019	**475**

Deferred tax assets and liabilities are attributable to the following:

Group	**Assets 2019 £000**	2018 £000	**Liabilities 2019 £000**	2018 £000	**Net 2019 £000**	2018 £000
Accelerated capital allowances	-	2	**(2)**	-	**(2)**	2
Tax losses carried forward	**177**	191	-	-	**177**	191
Disallowable provisions	**300**	-	-	(243)	**300**	(243)
Tax assets / (liabilities)	**477**	193	**(2)**	(243)	**475**	(50)

19 Capital and reserves

Group and Company

	2019 £000	2019 £000
Allotted, called up and fully paid		
480 Ordinary shares of £0.10 each	-	-
405 Ordinary A Class shares of £0.01 each	-	-
405 Ordinary C Class shares of £0.08 each	-	-
405 Ordinary D Class shares of £0.01 each	-	-
44 Ordinary E Class shares of £0.01 each	-	-
2 (Ordinary Redeemable shares of £0.01 each	-	-
	-	-

A, C, D and E shares have different voting rights and only limited rights with regards to the repayment of capital or receipt of dividends. They have no redemption rights.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves

The other reserves consist of merger reserves as well as translation differences on investments in foreign subsidiaries.

Profit and loss account

Profit and loss reserves includes all current and prior period retained profits and losses.

Notes *(continued)*

20 Financial instruments

The carrying amounts of the financial assets and liabilities include:

	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Assets measured at fair value through profit or loss				
Forward exchange contracts	-	1,339	-	-
Assets measured at amortised cost				
Trade debtors	**46,394**	23,259	-	-
Cash at bank and in hand	**27,715**	18,159	-	-
Amounts owed by related parties	**19,093**	3,547	**4,735**	4,684
Other debtors	**2,006**	2,063	-	1
Short term loan to related party	**1,700**	-	-	-
Liabilities measured at fair value through profit or loss				
Forward exchange contracts	**1,584**	-	-	-
Liabilities measured at amortised cost				
Amounts owed to related parties	**45,499**	16,473	**1,400**	1,400
Invoice financing and import loan (see note 17)	**29,159**	17,764	-	-
Bank overdrafts (see note 17)	**27,500**	20,688	**37**	4,923
Accruals and deferred income	**11,488**	5,464	**8**	-
Short term loans (see note 17)	**7,768**			
Trade creditors	**8,061**	8,622	-	-
Other creditors	**642**	675	-	4
Taxation and social security	**78**	201	-	-

Valuation method

All derivative financial instruments are measured using the "mark to market" value of the financial instruments at the reporting date. This technique calculates the present value of the future cash flows relating to the instrument based on the foreign exchange rates and interest rates prevailing at the reporting date

21 Operating leases

Non-cancellable operating lease rentals are payable as follows:

Group

	2019 £000	2018 £000
Less than one year	**298**	407
Between one and five years	**183**	492
	481	899

During the year £399 thousand was recognised as an expense in the profit and loss account in respect of operating leases *(2018: £ 387 thousand).*

22 Contingent liabilities

Westbridge Food Group Limited and the other companies in the group headed by Westbridge Food Group Limited have given cross guarantees to HSBC Bank PLC in respect of the bank overdrafts. As at 31 December 2019 the bank overdrafts under this guarantee amounted to £27 million *(2018: £21 million).*

Notes *(continued)*

23 Pension scheme

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund.

Pension contributions due at the yearend were £13 thousand *(2018: £20 thousand)*.

24 Related party transactions

The group has taken the exemption permitted by FRS 102 33.1A not to disclose any related party transactions with any companies in the group on the basis that they are a wholly owned by Charoen Pokphand Foods Group.

Related party transactions

	Sales to		**Purchase from**	
	2019	2018	**2019**	2018
	£000	£000	**£000**	£000
Entities with control, joint control or significant influence	**212**	797	**74,404**	54,309

	Interest income	
	2019	2018
	£000	£000
Entities with control, joint control or significant influence	**15**	-

25 Ultimate parent company and parent company of larger group

The immediate parent is CPF Investment Limited, a company incorporated on the British Virgin Island, P.O.Box 71, Craigmuir Chambers, Road Town, Tortola, by virtue of 100% shareholding in the company.

The ultimate controlling party is Charoen Pokphand Foods Public Company Limited, 313, CP Tower, Silom Road, Bangrak, Bangkok 10500, Thailand. The consolidated financial statements of these groups are available to the public.