

Company Registration No. 06833157 (England and Wales)

IAN MOSEY (LIVESTOCK) LIMITED
REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2015

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IAN MOSEY (LIVESTOCK) LIMITED

COMPANY INFORMATION

Directors	Mr B I Mosey Mrs B M Mosey Mr I J Mosey
Secretary	Mrs B M Mosey
Company number	06833157
Registered office	Village Farm Gilling East York North Yorkshire YO62 4JH
Auditors	RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) 2 Whitehall Quay Leeds West Yorkshire LS1 4HG

IAN MOSEY (LIVESTOCK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2015

The directors present the strategic report and financial statements for the year ended 31 August 2015.

Review of the business

The company's balance sheet as detailed on page 6 shows a satisfactory position with shareholder's funds amounting to £4,648,417.

Our key performance indicators are as follows:

	2015	2014
	£	£
Turnover	57,970,291	59,496,503
Gross profit	10,815,811	11,722,591
Operating profit	1,733,597	4,290,368

Risks and Uncertainties

The significant risks facing the business relate to movements in the price per kilo of pig meat and fluctuations in the raw material costs for feed. The company mitigates its exposure through arrangements with its customers and forward purchasing of raw materials.

Financial risk management objectives and policies

Price Risk

The company reviews current trends to manage its exposure to variation in market prices.

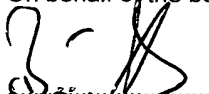
Credit Risk

The company mainly trades with long standing customers of the group, the nature of these relationships assist management in controlling its credit risk in addition to the normal credit management processes.

Liquidity

Management control and monitor the company's cash flow on a regular basis, including forecasting future cash flows.

On behalf of the board



Mr B I Mosey

Director

13 May 2016

IAN MOSEY (LIVESTOCK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2015

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

Principal activities

The principal activity of the company during the year was that of farming of swine.

Results and dividends

The company's trading profit for the year, after taxation was £1,365,672 (2014 profit £3,317,914).

Particulars of dividends paid are detailed in note 8 to the financial statements.

Future developments

The company will continue to consolidate its business interests and exploit opportunities as they arise.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr B I Mosey
Mrs B M Mosey
Mr I J Mosey

Auditors

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Qualifying 3rd party indemnity provisions

3rd party director indemnity insurance is in place for the benefit of the directors.

On behalf of the board


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Mr B I Mosey

Director

13 May 2016

IAN MOSEY (LIVESTOCK) LIMITED

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IAN MOSEY (LIVESTOCK) LIMITED

We have audited the financial statements on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RSM UK Audit LLP

Stella Cooper (Senior Statutory Auditor)

for and on behalf of RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

2 Whitehall Quay

Leeds

West Yorkshire

LS1 4HG

27 May 2016

IAN MOSEY (LIVESTOCK) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Turnover	2	57,970,291	59,496,503
Cost of sales		(47,154,480)	(47,773,912)
Gross profit		10,815,811	11,722,591
Administrative expenses		(9,082,214)	(7,432,223)
Operating profit		1,733,597	4,290,368
Interest receivable and similar income		388	46
Interest payable and similar charges	3	(4,301)	(10,932)
Profit on ordinary activities before taxation	4	1,729,684	4,279,482
Tax on profit on ordinary activities	7	(364,012)	(961,568)
Profit for the financial year	17	1,365,672	3,317,914

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

IAN MOSEY (LIVESTOCK) LIMITED**BALANCE SHEET
AS AT 31 AUGUST 2015**

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	9	259,704		123,386	
Investments	10	100		100	
		<u>259,804</u>		<u>123,486</u>	
Current assets					
Stocks	11	14,248,970		11,851,965	
Debtors	12	3,745,590		3,071,498	
		<u>17,994,560</u>		<u>14,923,463</u>	
Creditors: amounts falling due within one year	13	<u>(13,569,584)</u>		<u>(9,256,653)</u>	
Net current assets		<u>4,424,976</u>		<u>5,666,810</u>	
Total assets less current liabilities		<u>4,684,780</u>		<u>5,790,296</u>	
Creditors: amounts falling due after more than one year	14		-		(4,446)
Provisions for liabilities	15		<u>(36,363)</u>		<u>(3,105)</u>
Net assets		<u>4,648,417</u>		<u>5,782,745</u>	
Capital and reserves					
Called up share capital	16	100		100	
Profit and loss account	17	4,648,317		5,782,645	
Shareholder's funds	18	<u>4,648,417</u>		<u>5,782,745</u>	

The financial statements on pages 5 to 16 were approved by the board of directors and authorised for issue on 13 May 2016 and are signed on its behalf by:


 Mr B J Mosey
 Director

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Going concern

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the company's resources, the directors are confident that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax.

Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	No depreciation charged
Plant and machinery	15% to 20% on a reducing balance basis
Fixtures & fittings	15% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

Leasing

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

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

Investments

Fixed asset investments are stated at cost in the balance sheet. Provision is made for any impairment in the value of fixed asset investments.

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Pensions

The company operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from the company in an independently administered fund. Contributions payable are charged to the profit and loss account in the year they are payable.

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies (Continued)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. 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 tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Financial instruments

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

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

Geographical market

	Turnover 2015 £	2014 £
United Kingdom	57,970,291	59,496,503
	<u>57,970,291</u>	<u>59,496,503</u>

3 Interest payable and similar charges

	2015 £	2014 £
On bank loans and overdrafts	4,301	10,932
	<u>4,301</u>	<u>10,932</u>

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

4	Profit on ordinary activities before taxation	2015 £	2014 £
	Profit on ordinary activities before taxation is stated after charging/ (crediting):		
	Depreciation of tangible fixed assets		
	- owned	30,597	8,830
	- held under finance leases and hire purchase contracts	12,930	14,056
	(Profit)/loss on disposal of tangible assets	(14,577)	5,968
	Operating lease rentals	2,712	2,250
		<u> </u>	<u> </u>

Auditor's remuneration

Amounts payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services were as follows

Audit services		
- statutory audit of financial statements	5,500	5,500
Non audit services		
- Accounts preparation	2,000	2,000
- Corporation tax compliance	3,500	4,000
	<u>11,000</u>	<u>11,500</u>

5 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Production staff	23	20
Management staff	2	1
	<u>25</u>	<u>21</u>

Employment costs

	2015 £	2014 £
Wages and salaries	800,030	670,699
Social security costs	91,374	67,933
Other pension costs	190,000	-
	<u>1,081,404</u>	<u>738,632</u>

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

6	Directors' remuneration	2015 £	2014 £
	Remuneration for qualifying services	80,958	72,709
	Company contributions to money purchase pension schemes	190,000	-
		<u>270,958</u>	<u>72,709</u>

The number of directors to whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2014 - 0).

7	Tax on profit on ordinary activities	2015 £	2014 £
	Current tax		
	U.K. corporation tax	348,460	962,478
	Adjustment in respect of prior years	(17,706)	(1,318)
	Total current tax	<u>330,754</u>	<u>961,160</u>
	Deferred tax		
	Origination and reversal of timing differences	27,268	408
	Deferred tax adjustments arising in previous periods	5,990	-
	Total deferred tax	<u>33,258</u>	<u>408</u>
	Total tax on profit on ordinary activities	<u>364,012</u>	<u>961,568</u>

Factors affecting the tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax of 20.58% (2014 - 22.42%). The differences are explained below:

Profit on ordinary activities before taxation	1,729,684	4,279,482
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.58% (2014 - 22.42%)	<u>355,983</u>	<u>959,350</u>
Effects of:		
Expenses not deductible for tax purposes	761	-
Capital allowances in excess of depreciation	(8,284)	3,049
Adjustments to previous periods	(17,706)	(1,318)
Rounding on tax charge	-	79
	<u>(25,229)</u>	<u>1,810</u>
Current tax charge for the year	<u>330,754</u>	<u>961,160</u>

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

8	Dividends	2015 £	2014 £
	Interim dividends paid on ordinary shares	2,500,000	1,500,000

9 Tangible fixed assets

	Freehold land £	Plant and machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2014	3,696	100,461	15,804	45,414	165,375
Additions	-	178,510	8,827	28,758	216,095
Disposals	-	(36,250)	-	-	(36,250)
At 31 August 2015	3,696	242,721	24,631	74,172	345,220
Depreciation					
At 1 September 2014	-	24,975	1,687	15,327	41,989
Charge for the year	-	25,200	4,646	13,681	43,527
At 31 August 2015	-	50,175	6,333	29,008	85,516
Net book value					
At 31 August 2015	3,696	192,546	18,298	45,164	259,704
At 31 August 2014	3,696	75,486	14,117	30,087	123,386

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Motor vehicles £	Total £
Net book values			
At 31 August 2015	30,645	22,565	53,210
At 31 August 2014	36,053	30,087	66,140
Depreciation charge for the year			
At 31 August 2015	5,408	7,522	12,930
At 31 August 2014	6,362	7,694	14,056

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

10 Fixed asset investments

	Unlisted investments £
Cost	
At 1 September 2014 & at 31 August 2015	100
Net book value	
At 31 August 2015	100
At 31 August 2014	100

The company held a minor holding in the share capital of Meadow Quality Limited during the year. The holding gives rise to no controlling interest and therefore in the opinion of the directors the results are excluded from Ian Mosey (Livestock) Limited. At the year end, Meadow Quality Limited had aggregate capital and reserves of £1,303,400 (2014 - £1,246,237) and made a profit for the year of £55,963 (2014 - loss of £88,630)

11 Stocks	2015 £	2014 £
Raw materials and consumables	819,285	696,878
Finished goods and goods for resale	13,429,685	11,155,087
	<u>14,248,970</u>	<u>11,851,965</u>
12 Debtors	2015 £	2014 £
Trade debtors	3,034,438	2,796,464
Amounts owed by group undertakings	131,332	-
Corporation tax	71,006	-
Other debtors	344,627	228,659
Prepayments and accrued income	164,187	46,375
	<u>3,745,590</u>	<u>3,071,498</u>

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

13 Creditors: amounts falling due within one year	2015	2014
	£	£
Bank overdrafts	808,240	739,151
Net obligations under finance leases	4,446	20,632
Trade creditors	1,565,802	1,659,526
Amounts owed to group undertakings	10,847,017	6,444,638
Corporation tax	-	278,894
Other taxation and social security costs	25,274	19,602
Other creditors	533	-
Accruals and deferred income	318,272	94,210
	<u>13,569,584</u>	<u>9,256,653</u>

The bank overdrafts are secured by way of a composite guarantee entered into by all group companies as described in note 22. Obligations under hire purchase agreements of £4,446 (2014 - £20,632) are secured against the asset to which they relate.

14 Creditors: amounts falling due after more than one year	2015	2014
	£	£
Net obligations under finance leases	-	4,446
	<u>-</u>	<u>4,446</u>

Obligations under hire purchase agreements of £nil (2014 - £4,446) are secured against the asset to which they relate.

Net obligations under finance leases

Amounts payable:

Within one year	4,446	20,632
Within two to five years	-	4,446
	<u>4,446</u>	<u>25,078</u>
Included in liabilities falling due within one year	(4,446)	(20,632)
	<u>-</u>	<u>4,446</u>

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

15 Provisions for liabilities

	Deferred tax liability £
Balance at 1 September 2014	3,105
Profit and loss account	33,258
	<u>36,363</u>
Balance at 31 August 2015	<u>36,363</u>

The deferred tax liability is made up as follows:

	2015 £	2014 £
Excess of taxation allowances over depreciation on fixed assets	36,363	3,105
	<u>36,363</u>	<u>3,105</u>

16 Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

17 Profit and loss account

	Profit and loss account £
Balance at 1 September 2014	5,782,645
Profit for the year	1,365,672
Dividends paid	(2,500,000)
	<u>4,648,317</u>
Balance at 31 August 2015	<u>4,648,317</u>

18 Reconciliation of movements in shareholder's funds

	2015 £	2014 £
Profit for the financial year	1,365,672	3,317,914
Dividends	(2,500,000)	(1,500,000)
	<u>(1,134,328)</u>	<u>1,817,914</u>
Net (depletion in)/addition to shareholder's funds	(1,134,328)	1,817,914
Opening shareholder's funds	5,782,745	3,964,831
	<u>4,648,417</u>	<u>5,782,745</u>
Closing shareholder's funds	<u>4,648,417</u>	<u>5,782,745</u>

IAN MOSEY (LIVESTOCK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

19 Commitments under operating leases

At 31 August 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 August 2016:

	Other 2015 £	2014 £
Operating leases which expire:		
Between two and five years	2,930	2,640
	<u> </u>	<u> </u>

20 Capital commitments

	2015 £	2014 £
At 31 August 2015 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements	-	76,796
	<u> </u>	<u> </u>

21 Retirement Benefits

	2015 £	2014 £
Contributions payable by the company for the year	190,000	-
	<u> </u>	<u> </u>

22 Contingent liabilities

The company has guaranteed liabilities of its parent company, Ian Mosey Limited, and fellow subsidiary, Ian Mosey (Feed) Limited. The guarantees are in respect of bank borrowings which at the period end amounted to £2,315,837 (2014 - £246,817) in relation to Ian Mosey Limited and £804,713 (2014 - £1,298,641) in relation to Ian Mosey (Feed) Limited.

23 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

During the year, the company traded with the B I & B M Partnership ("the partnership"), a partnership that comprises the directors of Ian Mosey Limited, on an arm's length basis.

The total purchases from the partnership during the year amounted to £55,848 (2014 - £42,223). At the year end, creditors included an amount of £5,525 (2014 - £4,961) due to the partnership.

IAN MOSEY (LIVESTOCK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

24 Ultimate parent company

The company is a wholly owned subsidiary of Ian Mosey Limited, a company registered in England and Wales.

The consolidated financial statements for Ian Mosey Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.