

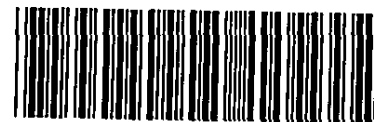
Parent of Anwana Poultry Ltd
07467663

Financial Statements Westbridge Food Group Limited

For the year ended 31 December 2014

Registered number: 6345373

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COMPANIES HOUSE

Westbridge Food Group Limited

Company Information

Directors	J Middleton M Whaley P J McNeil N C Shaw J J McNeil E M McNeil D J Hurley S Parker
Registered number	6345373
Registered office	Polonia House Enigma Commercial Centre Sandy's Road Malvern Worcestershire WR14 1JJ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Hartwell House 55-61 Victoria Street Bristol BS1 6FT
Bankers	HSBC Bank Plc 3 Rivergate Temple Quay Bristol BS1 6ER
Solicitors	Higgs and Sons 3 Waterfront Business Park Brierley Hill West Midlands DY5 1LX

Westbridge Food Group Limited

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Westbridge Food Group Limited

Group Strategic Report

For the year ended 31 December 2014

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 recurring trading result for the year was ahead of expectations. The Group continued to develop new and innovative food products for existing and new customers. The Group's core business continues to be poultry trading but it offers additional fish, dessert and party food lines to provide the customer with enhanced retail and food service solutions.

Group net assets at 31 December 2014 were £33.5 million (2013: £29.1 million). Net debt at 31 December 2014 was £24.4 million (2013: £18.2 million). Operating cash outflow for the year ended 31 December 2014 was £2.5 million. £0.8 million was paid in taxation and £0.7 million return investments and servicing finance. This resulted in a cash outflow, before financing, of £4.3 million.

Principal risks and uncertainties

The Group's principal risks and uncertainties relate to foreign exchange exposure and commodity price risk

Foreign exchange risk is mitigated by entering into forward exchange contracts which are matched, as far as possible, to forecast customer deliveries. Commodity price risk is mitigated by long term purchase agreements with suppliers and if appropriate use of stock positions to deliver known customer requirements

Group Strategic Report (continued)

For the year ended 31 December 2014

Financial key performance indicators

The key financial performance indicators are set out below:

	2014	2013
	£'000	£'000
Turnover	366,454	361,754
Operating profit (before exceptional items and joint venture)	6,191	11,930
Operating profit (before exceptional items and joint venture)	1.7%	3.3%

Turnover for the year ended 31 December 2014 increased by £4.7m from the year ended 31 December 2013 which was derived organically.

Operating profit (before exceptional items) for the same period reduced 47.8% in absolute terms. A higher mix of lower margin commodity trading business had a dilutive effect on the Operating Profit margin for 2014.

Future developments

The outlook for the coming year is positive against a background of economic uncertainty and low growth. Pressure on UK real earnings, following a prolonged recession, has seen a challenging retail market in the first quarter of 2015. The Group however operates in a range of markets and the Directors expect to achieve satisfactory earnings.

This report was approved by the board and signed on its behalf.

J Middleton
Director



Date: 18 June 2015

Westbridge Food Group Limited

Directors' Report

For the year ended 31 December 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Group 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £4,244 thousand (2013 - £1,146 thousand)

No dividends were paid in the year ended 31 December 2014 (2013 - £nil)

Directors

The directors who served during the year were:

J Middleton
M Whaley
P J McNeil
N C Shaw
J J McNeil
E M McNeil
D J Hurley
S Parker

Westbridge Food Group Limited

Directors' Report

For the year ended 31 December 2014

Financial instruments

The Group uses various financial instruments including bank borrowings and cash together with various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The existence of these financial instruments expose the Group to a number of financial risks. The directors review and agree policies for managing financial instrument risks and they are summarised below.

Market risk

Market risk encompasses three types of risk, being currency risk, fair value interest rate risk and credit risk. The Group's policy for managing fair value interest rate risk is considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "interest rate risk" below.

Currency 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. 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. The Foreign exchange hedging policy is as described in the Strategic Report.

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.

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 review of 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.

Matters covered in the Group Strategic report

Disclosures relating to future developments have been covered in the Group Strategic Report.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Westbridge Food Group Limited


Directors' Report

For the year ended 31 December 2014

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'J Middleton', written over a horizontal line.

J Middleton
Director

Date. 18 June 2015



Independent Auditor's Report to the Members of Westbridge Food Group Limited

We have audited the financial statements of Westbridge Food Group Limited for the year ended 31 December 2014, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and Reconciliation of Net Cash Flow to Movement in Net Debt and the related notes. 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 explained more fully 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 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 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 group's and of the parent company's affairs as at 31 December 2014 and of the group's 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 Group Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Westbridge Food Group Limited

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 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.

A handwritten signature in black ink, appearing to read 'James Morter'.

James Morter (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Bristol

18 June 2015

Westbridge Food Group Limited

Consolidated Profit and Loss Account

For the year ended 31 December 2014

	Note	2014 £000	2013 £000
Turnover			
Group and share of joint venture's turnover		369,211	364,704
Less: share of joint venture's turnover		(2,757)	(2,950)
Group turnover	1,2	366,454	361,754
Cost of sales		(347,115)	(337,179)
Gross profit		19,339	24,575
Distribution costs		(3,430)	(2,840)
Administrative expenses		(9,849)	(9,907)
Exceptional administrative expenses	6	-	(10,345)
Total administrative expenses		(9,849)	(20,252)
Other operating income	3	131	102
Operating profit	4	6,191	1,585
Share of operating profit in joint ventures		171	152
Total operating profit		6,362	1,737
Other interest receivable and similar income		-	33
Interest payable and similar charges	9	(679)	(404)
Profit on ordinary activities before taxation		5,683	1,366
Tax on profit on ordinary activities	10	(1,439)	(220)
Profit for the financial year	21	4,244	1,146

All amounts relate to continuing operations.

The notes on pages 14 to 32 form part of these financial statements

Westbridge Food Group Limited

Consolidated Statement of Total Recognised Gains and Losses
For the year ended 31 December 2014

	Note	2014 £000	2013 £000
Profit for the financial year		4,244	1,146
Foreign exchange translation movement	21	141	(55)
Total recognised gains and losses relating to the year		4,385	1,091

The notes on pages 14 to 32 form part of these financial statements

Consolidated Balance Sheet

As at 31 December 2014

	Note	£000	2014 £000	£000	2013 £000
Fixed assets					
Intangible assets	11		8,596		9,512
Tangible assets	12		755		1,075
Investments	13		650		650
Investments in joint ventures					
-Share of gross assets		1,269		1,448	
-Share of gross liabilities		(967)		(1,314)	
Share of net assets	13		302		134
			10,303		11,371
Current assets					
Stocks	14	26,185		27,991	
Debtors	15	32,804		50,646	
Cash at bank and in hand		17,178		305	
		76,167		78,942	
Creditors: amounts falling due within one year	16	(51,563)		(50,855)	
Net current assets			24,604		28,087
Total assets less current liabilities			34,907		39,458
Creditors: amounts falling due after more than one year	17		(1,111)		-
Provisions for liabilities					
Other provisions	19		(298)		(10,345)
Net assets			33,498		29,113
Capital and reserves					
Called up share capital	20		-		-
Other reserves	21		426		285
Profit and loss account	21		33,072		28,828
Shareholders' funds	22		33,498		29,113

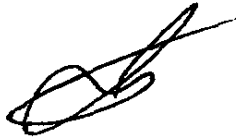
Westbridge Food Group Limited

Consolidated Balance Sheet (continued)

As at 31 December 2014

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

J Middleton
Director



Date, 18 June 2015

The notes on pages 14 to 32 form part of these financial statements

Company Balance Sheet

As at 31 December 2014

	Note	£000	2014 £000	£000	2013 £000
Fixed assets					
Investments	13		13,959		13,900
Current assets					
Debtors	15	1,483		1,406	
Creditors: amounts falling due within one year	16	(14,246)		(15,007)	
Net current liabilities			(12,763)		(13,601)
Total assets less current liabilities			1,196		299
Creditors: amounts falling due after more than one year	17		(1,111)		-
Net assets			85		299
Capital and reserves					
Called up share capital	20		-		-
Profit and loss account	21		85		299
Shareholders' funds	22		85		299

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 June 2015

J Middleton
Director



The notes on pages 14 to 32 form part of these financial statements

Westbridge Food Group Limited

Consolidated Cash Flow Statement

For the year ended 31 December 2014

	Note	2014 £000	2013 £000
Net cash flow from operating activities	23	(2,500)	6,830
Returns on investments and servicing of finance	24	(679)	(372)
Taxation - Tax paid	24	(830)	(2,604)
Capital expenditure and financial investment	24	(57)	(389)
Acquisitions and disposals	24	(189)	(3,745)
Cash outflow before financing		(4,255)	(280)
Financing	24	(5,333)	(222)
Decrease in cash in the year		(9,588)	(502)

Reconciliation of Net Cash Flow to Movement in Net Debt

For the year ended 31 December 2014

	2014 £000	2013 £000
Decrease in cash in the year	(9,588)	(502)
Cash outflow from decrease in debt and lease financing	3,333	(7,778)
Movement in net debt in the year	(6,255)	(8,280)
Net debt at 1 January 2014	(18,183)	(9,903)
Net debt at 31 December 2014	(24,438)	(18,183)

The notes on pages 14 to 32 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

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

1.2 Going concern

At 31 December 2014 the Group had net borrowings of £24.4m. The Directors of the Group have reviewed forecasts, prepared for 31 December 2015 based on prudent assumptions and the set repayment terms of the current banking facilities and have considered the trading period beyond the forecast period to cover at least 12 months beyond the date of the approval of the financial statements. Based on this review, the directors consider that there is adequate headroom in the current facilities and hence the accounts have appropriately been prepared on the Going Concern basis.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Westbridge Food Group Limited and all of its subsidiary undertakings ('subsidiaries') and joint ventures.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised when goods are despatched to customers.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss Account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	- 10 - 20 years
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1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	- 6% straight line
Plant & machinery	- 20% - 50% straight line
Motor vehicles	- 33% straight line
Fixtures & fittings	- 20% straight line

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies (continued)

1.7 Investments

- (i) **Subsidiary undertakings**
Investments in subsidiaries included in the company balance sheet are valued at cost less provision for impairment.
- (ii) **Other investments**
Investments held as fixed assets are shown at cost less provision for impairment.
- (iii) **Joint venture undertakings**
Investments in joint ventures are stated at the Group's share of net assets. The Group's share of the profits or losses of the joint ventures is included in the Profit and Loss Account using the equity accounting basis.

1.8 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies (continued)

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and Loss Account.

1.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.13 Employer Financed Retirement Benefit Schemes (EFRBS)

During the year ended 31 December 2010 the Group established an employer financed retirement benefit scheme for the benefit of its officers, employees and their wider families, the Westbridge Foods Limited Employer Financed Retirement Benefit Scheme ("the Scheme").

In accordance with UITF 32 "Employee Benefit Trusts and other intermediate payment arrangements" the Group does not include the assets and liabilities of the Scheme on its balance sheet to the extent that it considers that it will not retain any future economic benefit from the assets of the Scheme and will not have control of the rights or other access to those future economic benefits.

1.14 Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies (continued)

1.15 Derivative financial instruments

The group uses forward foreign exchange contracts to reduce its exposure to foreign exchange rates. Where, as a result of these exchange contracts, the Group has an over-supply of currency compared to its operational requirements these contracts may be considered onerous. The onerous contract provision is calculated based on the fair value of the derivative instrument at the year end. Management uses valuation techniques to determine the fair value of financial instruments.

This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

The onerous contract provision is not discounted.

2. Turnover

The whole of the turnover is principally attributable to the trade of poultry.

All turnover arose within the United Kingdom.

3. Other operating income

	2014	2013
	£000	£000
Other operating income	131	102

4. Operating profit

The operating profit is stated after charging/(crediting).

	2014	2013
	£000	£000
Amortisation - intangible fixed assets	835	768
Depreciation of tangible fixed assets:		
- owned by the group	377	422
Operating lease rentals:		
- hire of plant and machinery	88	89
- other operating leases	180	136
Difference on foreign exchange	(3,410)	(80)
Profit/(loss) on disposal of assets	-	13

Notes to the Financial Statements

For the year ended 31 December 2014

5. Auditors' remuneration

	2014 £000	2013 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	53	43
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	11	11
Taxation advisory services	16	15
Corporate finance services	53	25
	<u>53</u>	<u>25</u>

6. Exceptional item

The exceptional item relates to an onerous contract provision (see note 19) arising on foreign exchange derivatives

	2014 £000	2013 £000
Onerous contract provision	-	10,345
	<u>-</u>	<u>10,345</u>

7. Staff costs

Staff costs, including directors' remuneration, were as follows.

	2014 £000	2013 £000
Wages and salaries	4,542	4,787
Social security costs	487	427
Other pension costs	331	684
	<u>5,360</u>	<u>5,898</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Production staff	60	54
Distribution staff	15	2
Administrative staff	66	89
Management staff	15	7
	<u>156</u>	<u>152</u>

Westbridge Food Group Limited

Notes to the Financial Statements

For the year ended 31 December 2014

8. Directors' remuneration

	2014	2013
	£000	£000
Remuneration	1,076	867
Company pension contributions to defined contribution pension schemes	70	119

During the year retirement benefits were accruing to 5 directors (2013 - 6) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £235 thousand (2013 - £190 thousand).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £53 thousand (2013 - £43 thousand)

9. Interest payable

	2014	2013
	£000	£000
On bank loans and overdrafts	679	387
On other loans	-	17
	679	404

Notes to the Financial Statements

For the year ended 31 December 2014

10. Taxation

	2014 £000	2013 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	1,000	-
Adjustments in respect of prior periods	65	(120)
	<u>1,065</u>	<u>(120)</u>
Foreign tax on income for the year	267	673
	<u>1,332</u>	<u>553</u>
Share of joint ventures' current tax	3	37
	<u>1,335</u>	<u>590</u>
Total current tax		
Deferred tax (see note 18)		
Origination and reversal of timing differences	104	(370)
	<u>1,439</u>	<u>220</u>
Tax on profit on ordinary activities		

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21.49% (2013 - 23.25%). The differences are explained below:

	2014 £000	2013 £000
Profit on ordinary activities before tax	<u>5,683</u>	<u>1,366</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013 - 23.25%)	1,221	318
Effects of:		
Net of non taxable income and expenses not deductible for tax purposes	45	17
Depreciation in the year in excess of capital allowances	30	15
Utilisation of tax losses	(52)	-
Adjustments to tax charge in respect of prior periods	65	(120)
Short term timing difference leading to an increase in taxation	9	16
Differences between foreign and standard tax rate	-	(37)
Tax losses carried forward	17	381
	<u>1,335</u>	<u>590</u>
Current tax charge for the year (see note above)		

Notes to the Financial Statements

For the year ended 31 December 2014

11. Intangible fixed assets

	Goodwill £000
Group	
Cost	
At 1 January 2014	12,169
Disposals	(81)
At 31 December 2014	<u>12,088</u>
Amortisation	
At 1 January 2014	2,657
Charge for the year	835
At 31 December 2014	<u>3,492</u>
Net book value	
At 31 December 2014	<u>8,596</u>
At 31 December 2013	<u>9,512</u>

12. Tangible fixed assets

	L/Term Leasehold Property £000	Plant & machinery £000	Motor vehicles £000	Fixtures & fittings £000	Total £000
Group					
Cost					
At 1 January 2014	218	1,747	203	800	2,968
Additions	7	84	-	3	94
Disposals	-	(76)	(65)	(4)	(145)
At 31 December 2014	<u>225</u>	<u>1,755</u>	<u>138</u>	<u>799</u>	<u>2,917</u>
Depreciation					
At 1 January 2014	57	1,193	61	382	1,893
Charge for the year	21	258	51	47	377
On disposals	-	(76)	(28)	(4)	(108)
At 31 December 2014	<u>78</u>	<u>1,375</u>	<u>84</u>	<u>625</u>	<u>2,162</u>
Net book value					
At 31 December 2014	<u>147</u>	<u>380</u>	<u>54</u>	<u>174</u>	<u>755</u>
At 31 December 2013	<u>161</u>	<u>554</u>	<u>142</u>	<u>218</u>	<u>1,075</u>

Notes to the Financial Statements

For the year ended 31 December 2014

13. Fixed asset investments

Group	Other fixed asset investments £000	Investment in joint ventures £000	Total £000
Cost or valuation			
At 1 January 2014	650	134	784
Share of profit for the period (after tax)	-	168	168
At 31 December 2014	650	302	952
Net book value			
At 31 December 2014	650	302	952
At 31 December 2013	650	134	784

Subsidiary undertakings

The subsidiary undertakings of the company are referred to in note 32 of the accounts

Investments in joint ventures

Investments in joint ventures relates to a 50% holding of the ordinary share capital held by the Company in Westbridge Foods Europe B V which is incorporated in the Netherlands.

Company	Investments in subsidiary companies £000	Investment in joint ventures £000	Total £000
Cost or valuation			
At 1 January 2014	13,881	19	13,900
Additions	23	36	59
At 31 December 2014	13,904	55	13,959
Net book value			
At 31 December 2014	13,904	55	13,959
At 31 December 2013	13,881	19	13,900

Westbridge Food Group Limited

Notes to the Financial Statements

For the year ended 31 December 2014

14. Stocks

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£000	£000	£000	£000
Raw materials and consumables	3,116	3,239	-	-
Finished goods and goods for resale	23,069	24,752	-	-
	<u>26,185</u>	<u>27,991</u>	<u>-</u>	<u>-</u>

15. Debtors

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£000	£000	£000	£000
Trade debtors	29,323	45,076	-	-
Amounts owed by group undertakings	-	-	1,482	1,405
Other debtors	1,848	3,246	1	1
Prepayments and accrued income	1,328	1,932	-	-
Corporation tax recoverable	16	-	-	-
Deferred tax asset (see note 18)	289	392	-	-
	<u>32,804</u>	<u>50,646</u>	<u>1,483</u>	<u>1,406</u>

16. Creditors:

Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£000	£000	£000	£000
Bank loans and overdrafts	40,504	18,488	9,193	10,098
Trade creditors	6,844	14,616	-	-
Amounts owed to group undertakings	-	-	4,730	2,350
Corporation tax	-	-	36	-
Other taxation and social security	75	-	-	-
Deferred contingent consideration	204	555	285	555
Other creditors	281	2,628	2	2,004
Accruals and deferred income	3,655	14,568	-	-
	<u>51,563</u>	<u>50,855</u>	<u>14,246</u>	<u>15,007</u>

Bank loans and overdrafts are secured by a fixed charge over all present freehold and leasehold property, a first fixed charge over book and other debts both present and future and a first floating charge over all assets both present and future dated 21 June 2010.

Interest is charged on the bank facilities at LIBOR plus 1.7%.

Notes to the Financial Statements

For the year ended 31 December 2014

17. Creditors:

Amounts falling due after more than one year

	Group		Company	
	2014	2013	2014	2013
	£000	£000	£000	£000
Bank loans	1,111	-	1,111	-

Included within the above are amounts falling due as follows:

	Group		Company	
	2014	2013	2014	2013
	£000	£000	£000	£000
Between one and two years				
Bank loans	1,111	-	1,111	-

18. Deferred taxation

	Group		Company	
	2014	2013	2014	2013
	£000	£000	£000	£000
At beginning of year	392	25	-	-
(Charge for)/released during the year (P&L)	(103)	367	-	-
At end of year	289	392	-	-

The deferred taxation balance is made up as follows:

	Group		Company	
	2014	2013	2014	2013
	£000	£000	£000	£000
Accelerated capital allowances	47	21	-	-
Tax losses	215	371	-	-
Other short term timing difference	27	-	-	-
	289	392	-	-

Westbridge Food Group Limited

Notes to the Financial Statements

For the year ended 31 December 2014

19. Provisions

	Onerous contracts £000
Group	
At 1 January 2014	10,345
Amounts used	(10,047)
At 31 December 2014	<u>298</u>

Onerous contracts

The group uses forward foreign exchange contracts to reduce its exposure to foreign exchange rates. Where, as a result of these exchange contracts, the Group has an over-supply of currency compared to its operational requirements these contracts may be considered onerous. The onerous contract provision is calculated based on the fair value of the derivative instrument at the year end. Management uses valuation techniques to determine the fair value of financial instruments.

The remaining provision is anticipated to be utilised within 12 months.

20. Share capital

	2014 £000	2013 £000
Allotted, called up and fully paid		
395 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	-	-
	<u>-</u>	<u>-</u>

The rights attaching to A, C and D shares are as follows:

These 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.

On 20 June 2013 the Company redeemed 250 Ordinary shares of £0.10 each for £10m with £8m being paid in cash and a further £2m was paid in 2014.

Westbridge Food Group Limited

Notes to the Financial Statements

For the year ended 31 December 2014

21. Reserves

	Other reserves	Profit and loss account
	£000	£000
Group		
At 1 January 2014	285	28,828
Profit for the financial year	-	4,244
Movement on other reserves - foreign exchange	141	-
	<u>426</u>	<u>33,072</u>
At 31 December 2014		
Company		
At 1 January 2014		299
Loss for the financial year		(214)
		<u>85</u>
At 31 December 2014		

22. Reconciliation of movement in shareholders' funds

	2014	2013
	£000	£000
Group		
Opening shareholders' funds	29,113	38,022
Profit for the financial year	4,244	1,146
Shares redeemed during the year	-	(10,000)
Other recognised gains and losses during the year	141	(55)
	<u>33,498</u>	<u>29,113</u>
Closing shareholders' funds		
Company		
Opening shareholders' funds	299	415
(Loss) / profit for the financial year	(214)	9,884
Shares redeemed during the year	-	(10,000)
	<u>85</u>	<u>299</u>
Closing shareholders' funds		

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The results for the year dealt with in the accounts of the company was £214 thousand loss (2013 - £9,884 thousand profit).

Westbridge Food Group Limited

Notes to the Financial Statements

For the year ended 31 December 2014

23. Net cash flow from operating activities

	2014 £000	2013 £000
Operating profit	6,191	1,585
Amortisation of intangible fixed assets	835	768
Depreciation of tangible fixed assets	377	422
Profit on disposal of tangible fixed assets	-	(13)
Decrease/(increase) in stocks	1,807	(39)
Decrease/(increase) in debtors	17,197	(18,275)
(Decrease)/increase in creditors	(19,040)	12,037
(Decrease)/increase in provisions	(10,047)	10,345
Movements in foreign exchange	180	-
Net cash (outflow)/inflow from operating activities	(2,500)	6,830

24. Analysis of cash flows for headings netted in cash flow statement

	2014 £000	2013 £000
Returns on investments and servicing of finance		
Interest received	-	33
Interest paid	(679)	(405)
Net cash outflow from returns on investments and servicing of finance	(679)	(372)
Taxation		
Corporation tax	(830)	(2,604)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(94)	(460)
Sale of tangible fixed assets	37	71
Net cash outflow from capital expenditure	(57)	(389)

Notes to the Financial Statements

For the year ended 31 December 2014

24. Analysis of cash flows for headings netted in cash flow statement (continued)

	2014 £000	2013 £000
Acquisitions and disposals		
Purchase of share in associates'	-	(1,005)
Deferred consideration	(189)	(2,740)
Net cash outflow from acquisitions and disposals	(189)	(3,745)
	2014 £000	2013 £000
Financing		
New secured loans	-	10,000
Repayment of loans	(3,333)	(2,222)
Share buy back	(2,000)	(8,000)
Net cash outflow from financing	(5,333)	(222)

25. Analysis of changes in net debt

	1 January 2014 £000	Cash flow £000	Other non-cash changes £000	31 December 2014 £000
Cash at bank and in hand	305	16,873	-	17,178
Bank overdraft	(10,710)	(26,461)	-	(37,171)
	(10,405)	(9,588)	-	(19,993)
Debt:				
Debts due within one year	(7,778)	4,444	-	(3,334)
Debts falling due after more than one year	-	(1,111)	-	(1,111)
Net debt	(18,183)	(6,255)	-	(24,438)

Notes to the Financial Statements

For the year ended 31 December 2014

26. Contingencies

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 2014 the bank overdrafts under this guarantee amounted to £37.2 million (2013: £10.7 million).

HMRC have made enquiries into prior year tax returns and since the year-end has issued an advanced payment notice for £1.27 million. However, as a consequence of the enquiry being at an early stage, the directors do not consider it possible to determine whether any additional tax will become due. Consequently, no provision has been made.

27. Pension commitments

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. The pension cost charge represents contributions payable by the group to the fund and amounted to £158 thousand (2013: £184 thousand).

Pension contributions due at the year end were £59 thousand (2013: £57 thousand).

28. Operating lease commitments

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
Group	£000	£000	£000	£000
Expiry date:				
Within 1 year	59	-	69	-
Between 2 and 5 years	255	170	68	-
Total	314	170	137	-

29. Related party transactions and controlling related party

The group has taken the exemption permitted by Financial Reporting Standard 8 not to disclose any related party transactions with any companies in the group on the basis that they are a wholly owned group and the consolidated accounts are publicly available.

During the period the group paid rent to DJP Investments LLP amounting to £91 thousand (2013 - £90 thousand). At the 31 December 2014 £Nil (2013 £Nil) was owed to DJP Investments LLP. DJP Investments LLP was wholly owned by John McNeil and Peter McNeil.

Westbridge Foods Europe B.V., a joint venture of Westbridge Food Group Limited, owed £92 thousand (2013: £93 thousand) of trading balances and £781 thousand (2013: £1,257 thousand) of loan balances to a subsidiary, Westbridge Foods Limited.

Notes to the Financial Statements

For the year ended 31 December 2014

30. Post balance sheet events

On the 28th May 2015, the Company sold its 100% shareholding in Bri-Tal (Food) Ltd to a 3rd Party. The profit on disposal is subject to preparation of completion accounts based on the 31st May 2015 period close and deferred consideration based on achievement of its future earnings over a two-year earn-out period.

31. Controlling party

The directors consider P J McNeil to be the controlling party.

32. Principal subsidiaries

Company name	Country	% of Nominal Value and Voting Rights	Class of Shares
Westbridge Foods Limited	UK	100	Ordinary
Westbridge Food (Haydock) Limited	UK	100	Ordinary
Wignall Holdings Limited	UK	100	Ordinary
Westbridge Foods (Thailand) Limited	Thailand	100	Ordinary
Westbridge (Qingdao) Trading Co. Limited	China	100	Ordinary
Westbridge Foods (France) SARL	France	100	Ordinary
Bri-Tal (Foods) Limited	UK	100	Ordinary
Food Trac Limited	UK	100	Ordinary

All subsidiaries, including the principal subsidiaries above, are included in the consolidation.

All subsidiaries trade in poultry except for Bri-Tal (Foods) Limited which imports Mediterranean foods.

33. Derivatives

The company entered into a number of forward foreign exchange contracts during the year. The purpose of these transactions is to further manage currency risk. The total fair value of contracts in operation at the year end amounted to a net liability of £91 thousand (2013 £18,103 thousand), of which £298 thousand is considered onerous and has been provided for. See note 19.

34. Subsidiary company audit exemptions

For the year ending 31 December 2014 certain subsidiaries of Westbridge Food Group Limited were entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies. Westbridge Food Group Limited has provided a guarantee to these subsidiaries in accordance with that section.

The companies covered by the guarantee and taking the exemption from audit are

Westbridge Food Group Limited

Notes to the Financial Statements

For the year ended 31 December 2014

Company (Licence Numbers for each company are registered at Companies House)

AB Chicken Limited	6378922
Abbeycroft Poultry Limited	6582386
Action Poultry Limited	7188239
AF Chicken Limited	6378107
Ancona Poultry Limited	7467663
Andalusian Poultry Limited	7467761
Appenzeller Poultry Limited	7467750
Araucana Poultry Limited	7467737
Arun Foods Limited	7484940
Ashop Poultry Limited	7484910
Avon Poultry Limited	7484887
Bantams Poultry Limited	6582315
Barbu Poultry Limited	7467726
Barnevelder Poultry Limited	7467808
Beacon Poultry Limited	6904517
Belmont Poultry Limited	7188014
Brahma Poultry Limited	6582569
Bransford Poultry Limited	6734575
Breinton Poultry Limited	7188017
Brookfield Poultry Limited	7056456
Buff Rock Poultry Limited	7467818
Caldew Poultry Limited	7485220
Chancel Poultry Limited	6581940
Chase End Poultry Limited	6904507
Chick-A-Dee Food Limited	6582450
Chunky Chicken Limited	4706129
Church Street Poultry Limited	5276205
Croad Langshan Foods Limited	7467796
Defford Poultry Limited	6734556
Derwent Poultry Limited	7484986
Dochart Poultry Limited	7485739
Dorking Poultry Limited	7468067
Dulas Poultry Limited	7188167
DW Chicken Limited	6366757
Easy Cookin' Limited	3855460
Eddleston Poultry Limited	7484939
Eden Poultry Limited	7485055
Fabrica Poultry Limited	7484808
Faverolls Foods Limited	7484439
Fayoumi Poultry Limited	7484281
Fields International Limited	3925460
Fleche Poultry Limited	7484559
Fleet Poultry Limited	7485783
Fomentum Poultry Limited	7484859
Fownhope Poultry Limited	7056468
Frome Foods Limited	7484917
Gallina Poultry Limited	7484900
Gaur Poultry Limited	7485805
Goodness Me Limited	3779776
Gorsty Poultry Limited	7188249
Gover Poultry Limited	7484977
Great Malvern Poultry Limited	5941464
Hamburg Poultry Limited	7484440

Westbridge Food Group Limited

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For the year ended 31 December 2014

Harbourne Foods Limited	7484980
Holms Poultry Limited	7485239
Ixworth Foods Limited	7484443
JPS Foods Limited	6582393
Kraienkoppe Poultry Limited	7484553
Little Birch Poultry Limited	7188065
Little Malvern Foods Limited	6941270
Malvern Chickens Limited	6581946
Malvern Poultry Limited	5276197
Maran Poultry Limited	7484546
Meavy Poultry Limited	7484982
MM Chicken Limited	6362592
Norfolk Grey Poultry Limited	7484541
North Hill Chickens Limited	6904496
Nutrimens Foods Limited	7484836
Old English Poultry Limited	7484327
Orpington Foods Limited	7485216
Pekin Foods Limited	7484582
Pinnacle Hill Poultry Limited	7056374
Plas Gwyn Poultry Limited	7484966
Plymouth Rock Poultry Limited	7484576
Potterton Poultry Limited	7485767
Redcap Poultry Limited	7467872
Rhode Island Red Poultry Limited	7484623
Roe Beck Poultry Limited	7485332
Rosecombe Foods Limited	7485755
S and P Meats Limited	4198962
Shipleys Poultry Limited	7485013
Shires Poultry Limited	6941271
Sicilian Buttercup Poultry Limited	7484735
Silkie Poultry Limited	7484758
Spring Poultry Limited	7044637
Staunton Poultry Limited	7188159
Strattan Poultry Limited	7484883
Summer Hill Poultry Limited	6904337
Sussex Poultry Limited	7484762
Swindale Poultry Limited	7485729
Swinyard Poultry Limited	7044373
Tarff Poultry Limited	7485723
Tarrington Poultry Limited	7187970
Tocketts Poultry Limited	7486010
Upton Poultry Limited	6393584
Verydene Limited	4706130
Vorwerk Poultry Limited	7484786
Welland Poultry Limited	6734518
Welsummer Poultry Limited	7484805
Westbridge Foods Limited	3443712
Westbridge Foods (Haydock) Limited	4289793
Westbridge International Limited	3653902
Wignall Chicken Limited	5867321
Wignall Holdings Limited	4975428
Wignall Products Limited	5867482
Wyandotte Poultry Limited	7484784
Wye Poultry Limited	7056448
Yokohama Poultry Limited	7484831