

HCF Poultry Limited

Directors' report and
financial statements

Year ended 31 March 2016

Registered number: 5016434



HCF Poultry Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Strategic report	2
Directors' report	3
Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements	4
Independent auditor's report to the members of HCF Poultry Limited	5 - 6
Statement of profit and loss account and other comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Cash flow statement	10
Notes forming part of the financial statements	11 - 20

HCF Poultry Limited

Directors and other information

Directors

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

Secretary

M. Feeley

Registered office

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

Auditor

KPMG
Chartered Accountants
Dockgate
Dock Road
Galway
Ireland

Bankers

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

Solicitors

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

Registered number

5016434

HCF Poultry Limited

Strategic report

The directors present their strategic report for the year ended 31 March 2016.

Principal activities

The principal activities of the company consist of the slaughtering and processing of end of lay hens. There has been no change to these activities during the year.

Results for the year, business review and future developments

The results and performance for the year are set out in the statement of profit and loss account and other comprehensive income on page 7. The directors are satisfied with the results for the year and expect results to improve in the forthcoming year. Profit after tax for the year amounted to STGE11,087 (2015: STGE312,655). The balance sheet on page 8 shows that the company's financial position at year end has strengthened in line with the profit generated in the year.

Principal risks and uncertainties

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

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

Key performance indicators

Key performance indicators that are focused on by management include:

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

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

On behalf of the board



Michael Feeley
Director

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

HCF Poultry Limited

Directors' report

The directors present their directors' report and financial statements for the year ended 31 March 2016.

Results and dividends

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

Directors

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

Post balance sheet events

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

Political and charitable contributions

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

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

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

On behalf of the board



Michael Feeley
Director

14 December 2016

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

HCF Poultry Limited

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

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law 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 company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board



Michael Feeley
Director

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

We have audited the financial statements of HCF Poultry Limited for the year ended 31 March 2016 set out on pages 7 to 20 which comprise the statement of profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with 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.

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

In our opinion, the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the strategic report and the directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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

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

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

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

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

Independent auditor's report to the members of HCF Poultry Limited *(continued)*

Basis of our report, responsibilities and restrictions on use

As explained more fully in the statement of directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



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

14 December 2016

HCF Poultry Limited

Statement of profit and loss account and other comprehensive income for the year ended 31 March 2016

	Notes	2016 STG£	2015 STG£
Turnover – continuing operations	2	16,792,402	17,769,066
Cost of sales		(15,992,748)	(16,726,272)
Gross profit		799,654	1,042,794
Administration expenses		(526,994)	(467,277)
Distribution and selling costs		(268,087)	(130,282)
Operating profit – continuing operations	4-6	4,573	445,235
Interest payable and similar charges	3	(4,178)	(44,147)
Profit on ordinary activities before taxation		395	401,088
Tax on profit on ordinary activities	7	10,692	(88,433)
Profit for the financial year		11,087	312,655
Other comprehensive income		-	-
Total comprehensive income for the year		11,087	312,655

On behalf of the board



Michael Feeley
Director

HCF Poultry Limited

Balance sheet as at 31 March 2016

	Notes	2016 STG£	2016 STG£	2015 STG£	2015 STG£
Fixed assets					
Tangible assets	8		2,671,483		2,255,230
Current assets					
Stocks	9	287,287		1,079,805	
Debtors (due within one year)	10	1,222,784		1,100,108	
Cash at bank and in hand	11	1,835,158		1,391,321	
		3,345,229		3,571,234	
Creditors: amounts falling due within one year	12	(976,081)		(856,674)	
Net current assets			2,369,148		2,714,560
Total assets less current liabilities			5,040,631		4,969,790
Provision for liabilities					
Deferred tax liability	13	(246,239)		(186,485)	
Net assets			4,794,392		4,783,305
Capital and reserves					
Called up share capital	15	200,000		200,000	
Share premium		502,000		502,000	
Capital contribution		116,107		116,107	
Profit and loss account		3,976,285		3,965,198	
Shareholders' equity			4,794,392		4,783,305

These financial statements were approved by the board of directors on 14 December 2016 and were signed on their behalf by:



Michael Feeley
Director
Company registered number: 5016434

HCF Poultry Limited

Statement of changes in equity for the year ended 31 March 2016

	Called up share capital STG£	Share premium STG£	Capital contribution STG£	Profit and loss account STG£	Total STG£
At 1 April 2015	200,000	502,000	116,107	3,652,543	4,470,650
Total comprehensive income for the year					
Profit for the year	-	-	-	312,655	312,655
At 31 March 2015	200,000	502,000	116,107	3,965,198	4,783,305
Total comprehensive income for the year					
Profit for the year	-	-	-	11,087	11,087
Balance at 31 March 2016	200,000	502,000	116,107	3,976,285	4,794,392

HCF Poultry Limited

Cash flow statement

for the year ended 31 March 2016

	Notes	2016 STG£	2015 STG£
Cash flows from operating activities			
Profit for the year		11,087	312,655
<i>Adjustments for:</i>			
Depreciation		218,385	170,006
Foreign exchange losses		-	40,015
Interest payable and similar charges		4,178	4,132
Taxation		(10,692)	88,433
		<hr/>	<hr/>
		222,958	615,241
Decrease in trade and other debtors		28,004	730,927
Decrease/(increase) in stocks		792,518	(711,250)
Increase/(decrease) in trade and other creditors		119,407	(6,413)
Tax paid		(80,234)	(126,120)
		<hr/>	<hr/>
Net cash from operating activities		1,082,653	502,385
Cash flows from investing activities			
Acquisition of tangible fixed assets		(634,638)	(137,482)
		<hr/>	<hr/>
Net cash from investing activities		(634,638)	(137,482)
Cash flows from financing activities			
Interest paid		(4,178)	(4,132)
		<hr/>	<hr/>
Net cash from financing activities		(4,178)	(4,132)
		<hr/>	<hr/>
Net increase in cash and cash equivalents		443,837	360,771
Cash and cash equivalents at beginning of year	11	1,391,321	1,070,565
Effect of exchange rate fluctuations on cash held		-	(40,015)
		<hr/>	<hr/>
Cash and cash equivalents at end of year	11	1,835,158	1,391,321
		<hr/>	<hr/>

HCF Poultry Limited

Notes

forming part of the financial statements

1 Accounting policies

HCF Poultry Limited (the "company") is a company limited by shares and incorporated and domiciled in Ireland. Its registered office is at Station Yard, Station Road, Cullingworth, Bradford, West Yorkshire, England, BD13 SHP.

These 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 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is Sterling.

In the transition to FRS 102 from old UK GAAP, the company has made certain measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the company is provided in note 21.

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS 102. The following exemptions have been taken in these financial statements:

- Lease arrangements – in order to determine whether an arrangement contains a lease, the company has analysed facts and circumstances existing at 1 April 2014 rather than commencement date of the arrangement.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the company has not retrospectively changed its accounting under old UK GAAP for accounting estimates.

In the opinion of the directors, there are no significant sources of estimation uncertainty at the balance sheet date that may cause material adjustment to the carrying amounts of assets or liabilities within the next financial year.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

These financial statements have been prepared on a going concern basis. No material uncertainty exists which may cast significant doubt on the company's ability to continue as a going concern.

1.3 Foreign currency

Transactions in foreign currencies are translated to the company's 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.

HCF Poultry Limited

Notes (continued)

1 Accounting policies (continued)

1.4 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.

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 company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.5 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.

The entity assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) 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, unless indicated otherwise below. The estimated useful lives are as follows:

- buildings 50 years
- plant and machinery 10% reducing balance
- office equipment 20% reducing balance
- motor vehicles 20% reducing balance

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

1.6 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 and other costs in bringing them to their existing location and condition. In the case of finished goods cost includes an appropriate share of overheads based on normal operating capacity.

1.7 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.

HCF Poultry Limited

Notes (continued)

1 Accounting policies (continued)

1.7 Impairment excluding stocks and deferred tax assets (continued)

Financial assets (including trade and other debtors) (continued)

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 entity 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.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

1.8 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 has 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.

1.9 Turnover

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

1.10 Interest payable

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest payable is recognised in profit or loss as it accrues, using the effective interest rate method. Foreign currency gains and losses are reported on a net basis.

HCF Poultry Limited

Notes (continued)

1 Accounting policies (continued)

1.11 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. 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 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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Turnover	2016 STG£	2015 STG£
The analyses of turnover by activity and geographical area are as follows:		
Sale of goods	16,792,402	17,769,066
<i>By activity:</i>		
Poultry processing	16,792,402	17,769,066
<i>By geographical area:</i>		
United Kingdom	11,610,598	11,211,077
Rest of EU	5,181,804	6,557,989
	16,792,402	17,769,066
3 Interest payable and similar charges	2016 STG£	2015 STG£
Interest payable on financial liabilities at amortised cost	4,178	4,132
Net foreign exchange losses	-	40,015
	4,178	44,147

HCF Poultry Limited

Notes (continued)

4 Statutory and other information

	2016 STG£	2015 STG£
--	--------------	--------------

Profit on ordinary activities before taxation is stated after charging:

Depreciation of tangible fixed assets	218,385	170,006
---------------------------------------	---------	---------

Amounts receivable by the company's auditor in respect of:
Audit of these financial statements

	17,650	17,300
--	--------	--------

5 Directors' remuneration and transactions

	2016 STG£	2015 STG£
--	--------------	--------------

Directors' remuneration	390,000	326,500
-------------------------	---------	---------

These emoluments are split equally between the two directors.

6 Staff numbers and costs

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

	Number of employees	
	2016	2015
Production	111	110
Administration	20	20
	131	130

The aggregate payroll costs of these employees were as follows:

	2016 STG£	2015 STG£
Wages and salaries	3,224,186	2,922,440
Social insurance costs	243,546	219,331
Contributions to a defined contribution pension scheme	10,982	8,452
	3,478,714	3,150,223

HCF Poultry Limited

Notes (continued)

7 Tax on profit on ordinary activities	2016 STG£	2015 STG£
(a) Analysis of charge in year		
United Kingdom corporation tax		
Current corporation tax	-	84,382
Adjustment to tax in respect of previous periods	(70,446)	(7,554)
Total current tax (note 7(b))	(70,446)	76,828
Deferred taxation		
Reversal of timing differences	67,026	5,289
Impact of changes in tax rates	(12,960)	(252)
Adjustment in respect of previous years	5,688	6,568
Total deferred tax (note 13)	59,754	11,605
Total tax on profit on ordinary activities	(10,692)	88,433

(b) Factors affecting tax charge for the year

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

	2016 STG£	2015 STG£
Profit on ordinary activities before tax	395	401,088
Tax at 20% (2015: 21%)	79	84,228
Effects of:		
Expenses not deductible for tax purposes	5,423	5,443
Adjustment to tax in respect of previous periods	(64,758)	(986)
Impact of change in tax rates	(12,960)	(252)
Loss carried back under s37(3) CTA 2010	61,404	-
Other	120	-
Tax (credit)/charge for year (note 7(a))	(10,692)	88,433

A reduction in the UK corporation tax to 19% (effective 1 April 2017) and 18% (effective 1 April 2018) were substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly.

HCF Poultry Limited

Notes (continued)

8 Tangible fixed assets	Buildings STG£	Plant and machinery STG£	Office equipment STG£	Motor vehicles STG£	Total STG£
Cost					
At beginning of year	1,205,836	2,739,271	93,548	11,000	4,049,655
Additions	-	634,638	-	-	634,638
At end of year	1,205,836	3,373,909	93,548	11,000	4,684,293
Depreciation and impairment					
At beginning of year	238,843	1,470,846	79,526	5,210	1,794,425
Depreciation charge for year	24,117	190,306	2,804	1,158	218,385
At end of year	262,960	1,661,152	82,330	6,368	2,012,810
Net book value					
At 31 March 2016	942,876	1,712,757	11,218	4,632	2,671,483
At 31 March 2015	966,993	1,268,425	14,022	5,790	2,255,230
9 Stocks				2016 STG£	2015 STG£
Raw materials and consumables				38,571	30,000
Finished goods and goods for resale				248,716	1,049,805
				287,287	1,079,805

The estimated replacement cost of stocks did not differ significantly from the amounts shown above. Raw materials, consumables and changes in finished goods and work in progress recognised as cost of sales in the year amounted to STG£6,302,296 (2015: STG£8,133,483).

HCF Poultry Limited

Notes (continued)

10 Debtors	2016 STG£	2015 STG£
Trade debtors	952,900	1,038,609
Prepayments	11,897	11,764
VAT recoverable	104,606	47,034
Corporation tax recoverable	153,381	2,701
Due within one year	1,222,784	1,100,108
11 Cash and cash equivalents	2016 STG£	2015 STG£
Cash at bank and in hand	1,835,158	1,391,321
12 Creditors: amounts falling due within one year	2016 STG£	2015 STG£
Trade creditors	771,927	654,046
Accruals	160,938	151,642
PAYE	16,746	20,393
National insurance contributions	26,470	30,593
	976,081	856,674

13 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2016 STG£	2015 STG£	2016 STG£	2015 STG£	2016 STG£	2015 STG£
<i>Timing differences</i>						
Fixed assets	-	-	(246,317)	(192,235)	(246,317)	(192,235)
Other	78	5,750	-	-	78	5,750
	78	5,750	(246,317)	(192,235)	(246,239)	(186,485)

The company has no unrecognised deferred tax assets or liabilities.

HCF Poultry Limited

Notes (continued)

14 Employee benefits

Defined contribution plans

The company operates a defined contribution pension plan. The total expense relation to this plan in the year was STG£10,982.

15 Called up share capital	2016 STG£	2015 STG£
<i>Authorised, allotted, called up and fully paid</i>		
200,000 ordinary shares of STG£1 each, classified as shareholders' equity	200,000	200,000

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

16 Financial instruments	2016 STG£	2015 STG£
Assets measured at amortised cost	3,057,942	2,491,429
Liabilities measured at amortised cost	(976,081)	(856,674)

17 Related parties

Transactions with key management personnel

The key management personnel of the company are its directors, the remuneration for whom is disclosed in note 5.

18 Controlling party

The directors control 100% of the company's share capital.

19 Post balance sheet events

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

20 Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the company's first financial statements prepared in accordance with FRS 102. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2016 and the comparative information presented in these financial statements for the year ended 31 March 2015. In preparing its FRS 102 balance sheet, the company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 102 has affected the company's financial position and financial performance is set out in the following tables.

The adjustments reflect:

- Reclassification of foreign exchange losses of STG£40,015 for the year ended 31 March 2015 from administrative expenses to interest payable and similar charges.

HCF Poultry Limited

Notes *(continued)*

21 Approval of financial statements

The directors approved these financial statements on 14 December 2016.