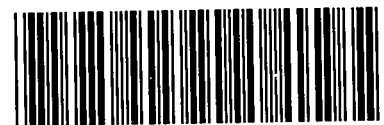


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REGISTERED NUMBER: 01264817 (England and Wales)

Report of the Directors and
Audited Financial Statements for the Period 3 February 2013 to 1 February 2014
for
Balingour Limited

TUESDAY



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for the Period 3 February 2013 to 1 February 2014**

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Balingour Limited
Company Information
for the Period 3 February 2013 to 1 February 2014

DIRECTORS:	Mr F Bird Mr M E Bird
SECRETARY:	Mr M E Bird
REGISTERED OFFICE:	Underlyne Langwathby Penrith Cumbria CA10 1NB
REGISTERED NUMBER:	01264817 (England and Wales)
AUDITORS:	Waters & Atkinson Chartered Accountants and Statutory Auditors The Old Court House Clark Street Morecambe LA4 5HR
BANKERS:	Barclays Bank PLC Market Square Penrith Cumbria CA11 7YB
SOLICITORS:	Cartmell Shepherd Bishop Yards Penrith Cumbria CA11 7XS

**Report of the Directors
for the Period 3 February 2013 to 1 February 2014**

The directors present their report with the financial statements of the company for the period 3 February 2013 to 1 February 2014.

REVIEW OF BUSINESS

We aim to present a comprehensive and balanced review of the development and performance of our company during the current trading period and the ultimate position at the period end. Our review is appropriate for the size and non-complex nature of our business.

As a poultry rearer we continue to grow day old chicks until they are ready to be sold to our co-subsiary company, Frank Bird (Poultry) Limited.

The business environment in which we operate remains very competitive. We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, those being turnover and gross margin. Turnover has increased from £11,843,019 to £12,594,837 as a result of an increase in the average sale price of the birds sold. The gross profit percentage has also increased slightly as a result of a reduction in power costs. A programme of extensive repairs to some of the farm sites continued this year but overall overheads were consistent with last year. All the above resulted in a higher net profit of £378,377 compared to £146,809 last year.

The business environment in which we operate continues to be challenging and we are particularly affected by fluctuating grain prices and calor gas prices.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen events outside of our control.

DIVIDENDS

No dividends will be distributed for the period ended 1 February 2014.

DIRECTORS

The directors shown below have held office during the whole of the period from 3 February 2013 to the date of this report.

Mr F Bird
Mr M E Bird

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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;
- 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.

**Report of the Directors
for the Period 3 February 2013 to 1 February 2014**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:



.....
Mr F Bird - Director

Date: 1/10/14

Report of the Independent Auditors to the Members of Balingour Limited

We have audited the financial statements of Balingour Limited for the period ended 1 February 2014 on pages six to twelve. 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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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

An audit 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 Report of the Directors 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.

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 1 February 2014 and of its profit for the period 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

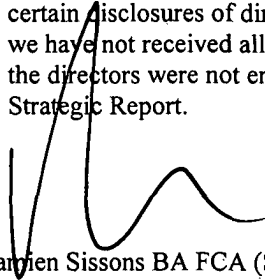
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Balingour 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, 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Damien Sissons BA FCA (Senior Statutory Auditor)

for and on behalf of Waters & Atkinson

Chartered Accountants and Statutory Auditors

The Old Court House

Clark Street

Morecambe

LA4 5HR

Date: 1 / 10 / 14

**Profit and Loss Account
for the Period 3 February 2013 to 1 February 2014**

		Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
	Notes		
TURNOVER		12,594,837	11,843,019
Cost of sales		11,728,750	11,163,895
GROSS PROFIT		866,087	679,124
Administrative expenses		521,641	568,974
		344,446	110,150
Other operating income		33,928	36,656
OPERATING PROFIT	3	378,374	146,806
Interest receivable and similar income	4	3	3
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		378,377	146,809
Tax on profit on ordinary activities	5	107,248	79,067
PROFIT FOR THE FINANCIAL PERIOD		271,129	67,742

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous period.


TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current period or previous period.

Balance Sheet
1 February 2014

	Notes	1.2.14 £	£	2.2.13 £	£
FIXED ASSETS					
Tangible assets	6		744,841		833,577
CURRENT ASSETS					
Stocks	7	783,664		696,870	
Debtors	8	2,219,195		1,689,835	
Cash at bank		5,395		5,422	
		<u>3,008,254</u>		<u>2,392,127</u>	
CREDITORS					
Amounts falling due within one year	9	<u>1,254,061</u>		<u>1,002,538</u>	
NET CURRENT ASSETS			<u>1,754,193</u>		<u>1,389,589</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,499,034</u>		<u>2,223,166</u>
PROVISIONS FOR LIABILITIES	11		<u>29,292</u>		<u>24,553</u>
NET ASSETS			<u><u>2,469,742</u></u>		<u><u>2,198,613</u></u>
CAPITAL AND RESERVES					
Called up share capital	12		100		100
Profit and loss account	13		<u>2,469,642</u>		<u>2,198,513</u>
SHAREHOLDERS' FUNDS	16		<u><u>2,469,742</u></u>		<u><u>2,198,613</u></u>

The financial statements were approved by the Board of Directors on 11/10/14 and were signed on its behalf by:


.....

Mr F Bird - Director

**Notes to the Financial Statements
for the Period 3 February 2013 to 1 February 2014**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No.1 on the grounds that it is a wholly owned subsidiary company and consolidated financial statements in which the subsidiary undertaking is included will be made available.

Accounting convention

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

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 5% on cost and 2% on cost
Plant and machinery	- 10% on cost
Motor vehicles	- 25% on cost and 20% on cost

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. STAFF COSTS

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Wages and salaries	378,674	354,952
Social security costs	31,786	28,390
	<u>410,460</u>	<u>383,342</u>

The average monthly number of employees during the period was as follows:

	Period 3.2.13 to 1.2.14	Period 29.1.12 to 2.2.13
Farm staff	19	19
Directors (unpaid through this company)	2	2
	<u>21</u>	<u>21</u>

Notes to the Financial Statements - continued
for the Period 3 February 2013 to 1 February 2014

3. OPERATING PROFIT

The operating profit is stated after charging:

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Hire of plant and machinery	5,832	4,142
Other operating leases	107,900	110,500
Depreciation - owned assets	92,431	118,937
Loss on disposal of fixed assets	-	10,700
Auditors' remuneration	5,250	5,250
Auditors' remuneration for non audit work	1,500	1,500
	<u> </u>	<u> </u>
Directors' remuneration	-	-
	<u> </u>	<u> </u>

Full analysis of auditors' remuneration for non audit work is given in the consolidated accounts for the F and N One group.

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Deposit account interest	3	3
	<u> </u>	<u> </u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the period was as follows:

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Current tax: UK corporation tax	102,509	58,805
Deferred tax: Origination and reversal of timing differences	4,739	20,262
Tax on profit on ordinary activities	<u>107,248</u>	<u>79,067</u>

Notes to the Financial Statements - continued
for the Period 3 February 2013 to 1 February 2014

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Profit on ordinary activities before tax	<u>378,377</u>	<u>146,809</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 24%)	87,027	35,234
Effects of:		
Depreciation in excess of capital allowances	14,789	22,751
Part of profit charged at 24%	<u>693</u>	<u>820</u>
Current tax charge	<u>102,509</u>	<u>58,805</u>

Factors that may affect future tax charges

Agricultural buildings allowances have now been withdrawn and this is likely to increase future corporation tax charges.

6. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 3 February 2013	2,653,588	1,228,535	165,525	4,047,648
Additions	-	3,695	-	3,695
At 1 February 2014	<u>2,653,588</u>	<u>1,232,230</u>	<u>165,525</u>	<u>4,051,343</u>
DEPRECIATION				
At 3 February 2013	2,096,552	988,808	128,711	3,214,071
Charge for period	71,066	18,588	2,777	92,431
At 1 February 2014	<u>2,167,618</u>	<u>1,007,396</u>	<u>131,488</u>	<u>3,306,502</u>
NET BOOK VALUE				
At 1 February 2014	<u>485,970</u>	<u>224,834</u>	<u>34,037</u>	<u>744,841</u>
At 2 February 2013	<u>557,036</u>	<u>239,727</u>	<u>36,814</u>	<u>833,577</u>

The leasehold property is rented from F and N Holdings Limited on renewable yearly leases. If the lease was terminated, Balingour Limited would be entitled to compensation determined by the Agricultural Holdings Act 1986, the Agriculture Act 1986 and any regulations for the calculation of compensation being in force at the time. The likelihood of termination of the lease is however remote and therefore the leasehold property is being written off over its estimated useful life rather than over the period of the lease.

Notes to the Financial Statements - continued
for the Period 3 February 2013 to 1 February 2014

7. STOCKS

	1.2.14	2.2.13
	£	£
Live birds & feed	<u>783,664</u>	<u>696,870</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1.2.14	2.2.13
	£	£
Amounts due from Frank Bird (Poultry) Limited	2,190,533	1,653,407
Prepayments and accrued income	<u>28,662</u>	<u>36,428</u>
	<u>2,219,195</u>	<u>1,689,835</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1.2.14	2.2.13
	£	£
Trade creditors	1,141,082	980,769
Tax	100,191	10,805
Accruals	<u>12,788</u>	<u>10,964</u>
	<u>1,254,061</u>	<u>1,002,538</u>

10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	1.2.14	2.2.13
	£	£
Expiring:		
Within one year	<u>107,900</u>	<u>107,900</u>

11. PROVISIONS FOR LIABILITIES

	1.2.14	2.2.13
	£	£
Deferred tax		
Accelerated capital allowances	<u>29,292</u>	<u>24,553</u>
		Deferred tax
		£
Balance at 3 February 2013		24,553
Provided during period		<u>4,739</u>
Balance at 1 February 2014		<u>29,292</u>

The deferred tax provision relates to capital allowances in excess of depreciation.

**Notes to the Financial Statements - continued
for the Period 3 February 2013 to 1 February 2014**

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	1.2.14	2.2.13
Number:	Class:		£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

13. RESERVES

**Profit
and loss
account
£**

At 3 February 2013	<u>2,198,513</u>
Profit for the period	<u>271,129</u>
At 1 February 2014	<u>2,469,642</u>

14. ULTIMATE PARENT COMPANY

This company is a wholly owned subsidiary of F and N Holdings Limited. This in turn is a wholly owned subsidiary of F and N One Limited, which is the ultimate holding company and is controlled by the director Frank Bird.

15. RELATED PARTY DISCLOSURES

All of Balingour Limited's produce is sold to Frank Bird (Poultry) Limited at normal market prices. Frank Bird (Poultry) Limited is also a wholly owned subsidiary of F and N Holdings Limited.

All directors of this company were also directors of Frank Bird (Poultry) Limited at the period end. Frank Bird is also a director of the immediate parent company F and N Holdings Limited and of the ultimate holding company F and N One Limited.

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1.2.14	2.2.13
	£	£
Profit for the financial period	<u>271,129</u>	<u>67,742</u>
Net addition to shareholders' funds	<u>271,129</u>	<u>67,742</u>
Opening shareholders' funds	<u>2,198,613</u>	<u>2,130,871</u>
Closing shareholders' funds	<u>2,469,742</u>	<u>2,198,613</u>