

**Strategic Report, Report of the Directors and  
Audited Financial Statements for the Year Ended 31 January 2019**  
**for**  
**Balingour Limited**



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for the Year Ended 31 January 2019**

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**Balingour Limited**  
**Company Information**  
**for the Year Ended 31 January 2019**

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

**Strategic Report  
for the Year Ended 31 January 2019**

The directors present their strategic report for the year ended 31 January 2019.

**REVIEW OF BUSINESS**

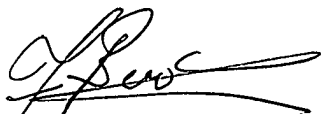
As a poultry grower we continue to grow day old chicks until they are ready to be sold to our co-subsiary company, Frank Bird (Poultry) Limited.

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 £11,239,940 to £12,030,925 as a result of both an increase in throughput and an increase in the average sales price per kilo. The gross profit percentage has decreased from 9.74% to 9.33%. Taking these factors into account, along with relatively consistent overheads, the net profit achieved was £624,327 compared to £706,709 in 2018.

**PRINCIPAL RISKS AND UNCERTAINTIES**

We are conscious that 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.

**ON BEHALF OF THE BOARD:**



.....  
Mr F Bird - Director

Date: .....24/2/19.....

**Report of the Directors  
for the Year Ended 31 January 2019**

The directors present their report with the financial statements of the company for the year ended 31 January 2019.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 January 2019.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 February 2018 to the date of this report.

Mr F Bird  
Mr M E Bird

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, 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), including Financial Reporting Standard 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 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.

**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: 24/7/19

## **Report of the Independent Auditors to the Members of Balingour Limited**

### **Opinion**

We have audited the financial statements of Balingour Limited (the 'company') for the year ended 31 January 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
Balingour Limited**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

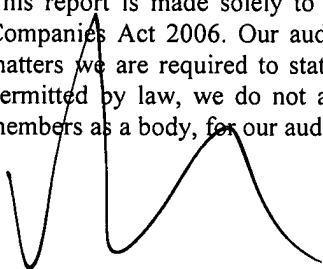
**Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

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.



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: 24.12.19

**Income Statement  
for the Year Ended 31 January 2019**

	Notes	31.1.19 £	31.1.18 £
<b>TURNOVER</b>	3	12,030,925	11,239,940
Cost of sales		10,908,235	10,145,437
<b>GROSS PROFIT</b>		1,122,690	1,094,503
Administrative expenses		536,583	426,843
		586,107	667,660
Other operating income		37,549	39,048
<b>OPERATING PROFIT</b>	5	623,656	706,708
Interest receivable and similar income	6	671	1
<b>PROFIT BEFORE TAXATION</b>		624,327	706,709
Tax on profit	7	154,592	(19,404)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		469,735	726,113

The notes form part of these financial statements



**Balingour Limited (Registered number: 01264817)**

**Other Comprehensive Income  
for the Year Ended 31 January 2019**

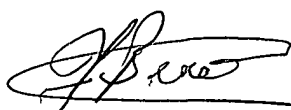
	<b>Notes</b>	<b>31.1.19 £</b>	<b>31.1.18 £</b>
<b>PROFIT FOR THE YEAR</b>		<b>469,735</b>	<b>726,113</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b><u>469,735</u></b>	<b><u>726,113</u></b>

The notes form part of these financial statements

**Balance Sheet**  
**31 January 2019**

	Notes	31.1.19 £	31.1.18 £
<b>FIXED ASSETS</b>			
Tangible assets	8	509,259	539,123
<b>CURRENT ASSETS</b>			
Stocks	9	557,641	455,084
Debtors	10	5,634,455	5,303,508
Cash at bank		167,250	5,738
		<u>6,359,346</u>	<u>5,764,330</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>973,081</u>	<u>904,217</u>
<b>NET CURRENT ASSETS</b>		<u>5,386,265</u>	<u>4,860,113</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,895,524</u>	<u>5,399,236</u>
<b>PROVISIONS FOR LIABILITIES</b>	13	<u>50,023</u>	<u>23,470</u>
<b>NET ASSETS</b>		<u><u>5,845,501</u></u>	<u><u>5,375,766</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	100	100
Retained earnings	15	<u>5,845,401</u>	<u>5,375,666</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u>5,845,501</u></u>	<u><u>5,375,766</u></u>

The financial statements were approved by the Board of Directors on 24/7/19 and were signed on its behalf by:



Mr F Bird - Director

**Statement of Changes in Equity  
for the Year Ended 31 January 2019**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 February 2017</b>	100	4,649,553	4,649,653
<b>Changes in equity</b>			
Total comprehensive income	-	726,113	726,113
<b>Balance at 31 January 2018</b>	100	5,375,666	5,375,766
<b>Changes in equity</b>			
Total comprehensive income	-	469,735	469,735
<b>Balance at 31 January 2019</b>	100	5,845,401	5,845,501

**Notes to the Financial Statements  
for the Year Ended 31 January 2019**

**1. STATUTORY INFORMATION**

Balingour Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company's accounting reference date is the 31st January but this year the company has elected to prepare accounts up to the 2nd February 2019. Last year the company elected to prepare accounts up to the 3rd February 2018. The current accounts thus represent a 52 week period.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

The company has taken advantage of the exemption 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. The ultimate parent company heading the group is F and N One Limited.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**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.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued  
for the Year Ended 31 January 2019

2. ACCOUNTING POLICIES - continued

**Deferred tax**

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. TURNOVER

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

An analysis of turnover by class of business is given below:

	31.1.19 £	31.1.18 £
Sale of goods	12,030,925	11,239,940
	<u>12,030,925</u>	<u>11,239,940</u>

4. EMPLOYEES AND DIRECTORS

	31.1.19 £	31.1.18 £
Wages and salaries	402,089	388,552
Social security costs	35,223	32,351
Other pension costs	5,801	2,549
	<u>443,113</u>	<u>423,452</u>

The average number of employees during the year was as follows:

	31.1.19	31.1.18
Farm staff	17	16
Directors (unpaid through this company)	2	2
	<u>19</u>	<u>18</u>

	31.1.19 £	31.1.18 £
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 January 2019

5. OPERATING PROFIT

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

	31.1.19	31.1.18
	£	£
Hire of plant and machinery	8,744	5,243
Other operating leases	107,900	107,900
Depreciation - owned assets	83,111	76,701
Profit on disposal of fixed assets	(950)	(2,517)
Auditors' remuneration	6,250	5,750
Auditors' remuneration for non audit work	1,500	1,500
	<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.

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.1.19	31.1.18
	£	£
Deposit account interest	671	1
	<u>          </u>	<u>          </u>

7. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	31.1.19	31.1.18
	£	£
Current tax:		
UK corporation tax	128,039	57,412
Tax refundable for prior year	-	(73,883)
	<u>          </u>	<u>          </u>
Total current tax	128,039	(16,471)
Deferred tax:		
Origination and reversal of timing differences	26,553	(2,933)
	<u>          </u>	<u>          </u>
Tax on profit	154,592	(19,404)
	<u>          </u>	<u>          </u>

Notes to the Financial Statements - continued  
for the Year Ended 31 January 2019

7. TAXATION - continued

**Reconciliation of total tax charge/(credit) included in profit and loss**

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

	31.1.19 £	31.1.18 £
Profit before tax	<u>624,327</u>	<u>706,709</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	118,622	134,275
Effects of:		
Income not taxable for tax purposes	(181)	(478)
Depreciation in excess of capital allowances	9,598	9,427
Part of profit charged at 20%	-	484
Tax refundable for prior year	-	(73,883)
Origination and renewal of timing differences	26,553	(2,933)
Reduction due to R & D claim	-	(86,296)
Total tax charge/(credit)	<u>154,592</u>	<u>(19,404)</u>

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 February 2018	2,653,588	1,272,544	199,045	4,125,177
Additions	-	39,047	18,650	57,697
Disposals	-	-	(37,865)	(37,865)
At 31 January 2019	<u>2,653,588</u>	<u>1,311,591</u>	<u>179,830</u>	<u>4,145,009</u>
<b>DEPRECIATION</b>				
At 1 February 2018	2,363,932	1,079,011	143,111	3,586,054
Charge for year	43,674	22,519	16,918	83,111
Eliminated on disposal	-	-	(33,415)	(33,415)
At 31 January 2019	<u>2,407,606</u>	<u>1,101,530</u>	<u>126,614</u>	<u>3,635,750</u>
<b>NET BOOK VALUE</b>				
At 31 January 2019	<u>245,982</u>	<u>210,061</u>	<u>53,216</u>	<u>509,259</u>
At 31 January 2018	<u>289,656</u>	<u>193,533</u>	<u>55,934</u>	<u>539,123</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 Year Ended 31 January 2019

9. STOCKS

	31.1.19	31.1.18
	£	£
Live birds & feed	<u>557,641</u>	<u>455,084</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.19	31.1.18
	£	£
Amounts due from Frank Bird (Poultry) Limited	5,604,167	5,181,231
Tax debtor	-	93,871
Prepayments and accrued income	<u>30,288</u>	<u>28,406</u>
	<u>5,634,455</u>	<u>5,303,508</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.19	31.1.18
	£	£
Trade creditors	876,097	896,427
Tax	89,039	-
Accruals	<u>7,945</u>	<u>7,790</u>
	<u>973,081</u>	<u>904,217</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.1.19	31.1.18
	£	£
Within one year	<u>107,900</u>	<u>107,900</u>

The sum of £107,900 is payable to F and N Holdings Limited under the terms of an annually renewable lease. This is expected to continue for the foreseeable future.

13. PROVISIONS FOR LIABILITIES

	31.1.19	31.1.18
	£	£
Deferred tax		
Accelerated capital allowances	<u>50,023</u>	<u>23,470</u>

	Deferred tax
	£
Balance at 1 February 2018	23,470
Provided during year	<u>26,553</u>
Balance at 31 January 2019	<u>50,023</u>

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



**Notes to the Financial Statements - continued  
for the Year Ended 31 January 2019**

**14. CALLED UP SHARE CAPITAL**

**Allotted, issued and fully paid:**

<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>31.1.19 £</b>	<b>31.1.18 £</b>
100	Ordinary	£1	<u>100</u>	<u>100</u>

**15. RESERVES**

	<b>Retained earnings £</b>
At 1 February 2018	<b>5,375,666</b>
Profit for the year	<b>469,735</b>
At 31 January 2019	<b><u>5,845,401</u></b>

**16. 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.

**17. 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.