

REGISTERED NUMBER: 01615294 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTOR AND  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016  
FOR  
BRADFORD HIDE COMPANY LIMITED**



**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Group Strategic Report</b>	<b>2</b>
<b>Report of the Director</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>5</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>7</b>
<b>Consolidated Balance Sheet</b>	<b>9</b>
<b>Company Balance Sheet</b>	<b>11</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>12</b>
<b>Company Statement of Changes in Equity</b>	<b>13</b>
<b>Consolidated Cash Flow Statement</b>	<b>14</b>
<b>Notes to the Consolidated Cash Flow Statement</b>	<b>15</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>16</b>
<b>Reconciliation of Equity</b>	<b>30</b>
<b>Reconciliation of Profit</b>	<b>32</b>

**BRADFORD HIDE COMPANY LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**DIRECTOR:** J Woodward

**SECRETARY:** Mrs L Roscoe

**REGISTERED OFFICE:** Dryden Street  
Bradford  
West Yorkshire  
BD1 5ND

**REGISTERED NUMBER:** 01615294 (England and Wales)

**AUDITORS:** Brosnans  
Chartered Accountants  
and Statutory Auditors  
Birkby House  
Bailiff Bridge  
Brighouse  
West Yorkshire  
HD6 4JJ

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2016**

The director presents his strategic report of the company and the group for the year ended 31 March 2016.

**REVIEW OF BUSINESS**

The group's parent company along with its subsidiaries continues its principal activity of processor and merchant of hides, skins and leather. Turnover for the year was £40,871,521, this was a decrease of 6.5% on previous year and pre tax profits have reduced from £3,122,277 in 2015 to £2,069,927 for the year ended 31 March 2016. The accounts have been prepared following the FRS 102 standards and the implications of this have meant a change to the fair value of the current asset investments shown on the balance sheet. The group continues to face reduced margins in a highly competitive world wide market.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Financial risk management objectives and policies

The group operates in the UK market and overseas. The company seeks to mitigate exposure to all forms of risk both internal and external.

Customers and suppliers

The group is not wholly dependent on any one supplier or customer.

Foreign exchange

The majority of transactions are undertaken in sterling. If other currency transactions occur the use of Forward Exchange contracts are used to overcome any currency exchange risks.

Credit risk

The group has little exposure to credit risk as the majority of debts are covered by credit insurance.

Laws and regulations

The group complies with all animal health regulations to operate within the law. It is in frequent contact with the animal health and vet agency regarding changes in the law.

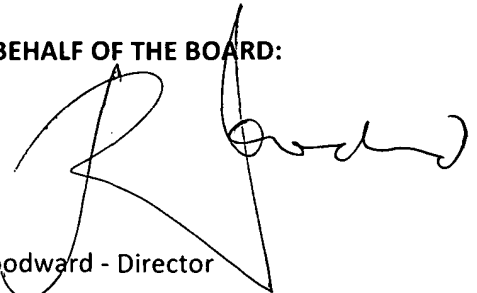
The group takes its health, safety and environmental responsibilities very seriously.

Employees

The average number of employees throughout the year was 82.

The group continues to be an Equal Opportunities Employer. In employment related decisions the group complies with anti discrimination requirements concerning matters of race, colour, national origin, marital status, sexual orientation, religious belief, age and physical or mental ability. Disabled people are given full and equal consideration for employment and their development is assisted and encouraged.

**ON BEHALF OF THE BOARD:**



J Woodward - Director

7 September 2016

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 MARCH 2016**

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2016.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of processor and merchants of hides, skins and wool.

**DIVIDENDS**

No interim dividend was paid during the year. The director recommends a final dividend of 39.32 per share.

The total distribution of dividends for the year ended 31 March 2016 will be £2,500,000.

**DIRECTOR**

J Woodward held office during the whole of the period from 1 April 2015 to the date of this report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he 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 group's auditors are aware of that information.

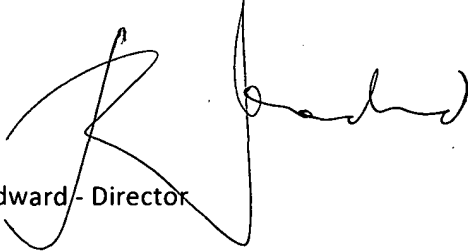
**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 MARCH 2016**

**AUDITORS**

The auditors, Brosnans, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

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

J Woodward - Director

7 September 2016

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRADFORD HIDE COMPANY LIMITED**

We have audited the financial statements of Bradford Hide Company Limited for the year ended 31 March 2016 on pages seven to thirty two. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 director and auditors**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Director 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 group's and of the parent company's affairs as at 31 March 2016 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 the Report of the Director 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  
BRADFORD HIDE COMPANY 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Adam John Brosnan (Senior Statutory Auditor)

for and on behalf of Brosnans

Chartered Accountants

and Statutory Auditors

Birkby House

Bailiff Bridge

Brighouse

West Yorkshire

HD6 4JJ

7 September 2016



**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	2016 £	2015 £
<b>TURNOVER</b>	2	40,871,521	43,718,970
Cost of sales		35,024,206	37,838,296
<b>GROSS PROFIT</b>		5,847,315	5,880,674
Administrative expenses		3,355,151	3,968,038
		2,492,164	1,912,636
Other operating income		-	46,778
<b>OPERATING PROFIT</b>	4	2,492,164	1,959,414
Revaluation of assets to fair value		(386,334)	1,209,533
		2,105,830	3,168,947
Interest receivable and similar income		12,097	1,332
		2,117,927	3,170,279
Interest payable and similar charges	5	48,000	48,002
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		2,069,927	3,122,277
Tax on profit on ordinary activities	6	502,072	406,856
<b>PROFIT FOR THE FINANCIAL YEAR</b>		1,567,855	2,715,421
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		1,567,855	2,715,421
Profit attributable to:			
Owners of the parent		1,447,196	2,555,978
Minority interests		120,659	159,443

The notes form part of these financial statements

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2016**

	2016 £	2015 £
	<u>1,567,855</u>	<u>2,715,421</u>
Total comprehensive income attributable to:		
Owners of the parent	1,447,196	2,715,421
Non-controlling interests	<u>120,659</u>	<u>-</u>
	<u>1,567,855</u>	<u>2,715,421</u>

The notes form part of these financial statements

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**CONSOLIDATED BALANCE SHEET  
31 MARCH 2016**

	Notes	2016	2015
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	9	-	
Tangible assets	10	1,470,524	1,513,049
Investments	11	150,000	150,000
		<hr/>	<hr/>
		1,620,524	1,663,049
<b>CURRENT ASSETS</b>			
Stocks	12	1,838,425	1,560,082
Debtors	13	5,769,375	7,080,923
Investments	14	3,389,928	5,706,919
Cash at bank and in hand		7,903,621	5,737,222
		<hr/>	<hr/>
		18,901,349	20,085,146
<b>CREDITORS</b>			
Amounts falling due within one year	15	6,566,796	6,861,470
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		12,334,553	13,223,676
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		13,955,077	14,886,725
<b>PROVISIONS FOR LIABILITIES</b>	18	(2,250)	(1,753)
<b>MINORITY INTERESTS</b>	19	(1,415,205)	(1,294,546)
		<hr/>	<hr/>
<b>NET ASSETS</b>		12,537,622	13,590,426
		<hr/>	<hr/>

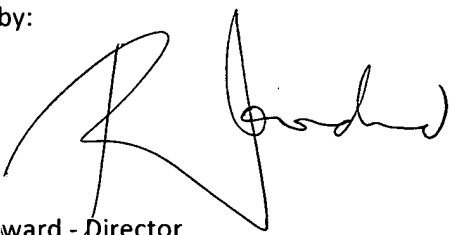
The notes form part of these financial statements

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**CONSOLIDATED BALANCE SHEET - continued**  
**31 MARCH 2016**

	Notes	2016 £	£	2015 £	£
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		63,586		63,586
Share premium	21		29,524		29,524
Capital redemption reserve	21		126,414		126,414
Retained earnings	21		12,318,098		13,370,902
			<hr/>		<hr/>
<b>SHAREHOLDERS' FUNDS</b>			12,537,622		13,590,426
			<hr/>		<hr/>

The financial statements were approved and authorised for issue by the director on 7 September 2016 and were signed by:

  
J Woodward - Director

The notes form part of these financial statements

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**COMPANY BALANCE SHEET  
31 MARCH 2016**

	Notes	2016	2015
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	9	-	-
Tangible assets	10	439,539	451,349
Investments	11	1,219,164	1,219,164
		<hr/>	<hr/>
		1,658,703	1,670,513
<b>CURRENT ASSETS</b>			
Stocks	12	736,822	628,479
Debtors	13	5,709,801	6,769,990
Investments	14	3,389,928	5,706,919
Cash at bank and in hand		5,225,593	3,820,772
		<hr/>	<hr/>
		15,062,144	16,926,160
<b>CREDITORS</b>			
Amounts falling due within one year	15	9,244,709	9,645,379
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		5,817,435	7,280,781
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,476,138	8,951,294
		<hr/> <hr/>	<hr/> <hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	63,586	63,586
Share premium	21	29,524	29,524
Capital redemption reserve	21	126,414	126,414
Retained earnings	21	7,256,614	8,731,770
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>		7,476,138	8,951,294
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved by the director on 7 September 2016 and were signed by:

  
J Woodward - Director

The notes form part of these financial statements

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital £	Retained earnings £	Share premium £
<b>Balance at 1 April 2014</b>	63,586	10,814,924	29,524
<b>Changes in equity</b>			
Total comprehensive income	-	2,555,978	-
<b>Balance at 31 March 2015</b>	63,586	13,370,902	29,524
<b>Changes in equity</b>			
Dividends	-	(2,500,000)	-
Total comprehensive income	-	1,447,196	-
<b>Balance at 31 March 2016</b>	63,586	12,318,098	29,524

	Capital redemption reserve £	Total £	Non-controlling interests £	Total equity £
<b>Balance at 1 April 2014</b>	126,414	11,034,448	1,294,546	12,328,994
<b>Changes in equity</b>				
Total comprehensive income	-	2,555,978	-	2,555,978
<b>Balance at 31 March 2015</b>	126,414	13,590,426	1,294,546	14,884,972
<b>Changes in equity</b>				
Dividends	-	(2,500,000)	-	(2,500,000)
Total comprehensive income	-	1,447,196	120,659	1,567,855
<b>Balance at 31 March 2016</b>	126,414	12,537,622	1,415,205	13,952,827

The notes form part of these financial statements

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
<b>Balance at 1 April 2014</b>	63,586	6,682,769	29,524	126,414	6,902,293
<b>Changes in equity</b>					
Total comprehensive income	-	2,049,001	-	-	2,049,001
<b>Balance at 31 March 2015</b>	<u>63,586</u>	<u>8,731,770</u>	<u>29,524</u>	<u>126,414</u>	<u>8,951,294</u>
<b>Changes in equity</b>					
Dividends	-	(2,500,000)	-	-	(2,500,000)
Total comprehensive income	-	1,024,844	-	-	1,024,844
<b>Balance at 31 March 2016</b>	<u><u>63,586</u></u>	<u><u>7,256,614</u></u>	<u><u>29,524</u></u>	<u><u>126,414</u></u>	<u><u>7,476,138</u></u>

The notes form part of these financial statements

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	3,343,413	1,508,987
Interest paid		(48,000)	(48,002)
Tax paid		(343,108)	(448,729)
Net cash from operating activities		<u>2,952,305</u>	<u>1,012,256</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(73,437)	(39,456)
Sale of tangible fixed assets		3,834	5,000
Sale of investments		2,188,349	-
Interest received		12,097	1,332
Net cash from investing activities		<u>2,130,843</u>	<u>(33,124)</u>
<b>Cash flows from financing activities</b>			
Equity dividends paid		(2,500,000)	-
Net cash from financing activities		<u>(2,500,000)</u>	<u>-</u>
<b>Increase in cash and cash equivalents</b>		<u>2,583,148</u>	<u>979,132</u>
<b>Cash and cash equivalents at beginning of year</b>	2	3,905,756	2,926,624
<b>Cash and cash equivalents at end of year</b>	2	<u><u>6,488,904</u></u>	<u><u>3,905,756</u></u>

The notes form part of these financial statements



**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2016**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2016	2015
	£	£
Profit before taxation	2,069,927	3,122,277
Depreciation charges	112,546	122,035
Profit on disposal of fixed assets	(417)	(5,000)
Revaluation of current asset investments	386,334	(1,209,533)
Profit on disposal of investments	(255,561)	-
Finance costs	48,000	48,002
Finance income	(12,097)	(1,332)
	<hr/>	<hr/>
	2,348,732	2,076,449
Increase in stocks	(278,343)	(26,879)
Decrease/(increase) in trade and other debtors	1,459,718	(822,338)
(Decrease)/increase in trade and other creditors	(186,694)	281,755
	<hr/>	<hr/>
<b>Cash generated from operations</b>	<b>3,343,413</b>	<b>1,508,987</b>
	<hr/>	<hr/>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2016**

	31.3.16	1.4.15
	£	£
Cash and cash equivalents	7,903,621	5,737,222
Bank overdrafts	(1,414,717)	(1,831,466)
	<hr/>	<hr/>
	6,488,904	3,905,756
	<hr/>	<hr/>

**Year ended 31 March 2015**

	31.3.15	1.4.14
	£	£
Cash and cash equivalents	5,737,222	4,444,543
Bank overdrafts	(1,831,466)	(1,517,919)
	<hr/>	<hr/>
	3,905,756	2,926,624
	<hr/>	<hr/>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**1. 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.

**BASIS OF CONSOLIDATION**

The consolidated financial statements incorporate the financial statements of Bradford Hide Company Limited and its subsidiaries. These are adjusted, where appropriate, to conform to group accounting policies.

In accordance with Section 408 of the Companies Act 2006, a separate profit and loss account dealing with the results of the company is not presented.

**TURNOVER**

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

**GOODWILL**

Goodwill arising on consolidation, representing the excess of fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful life of three years. Negative goodwill is written back to the profit and loss account to match the recovery of the non-monetary assets acquired.

As a matter of accounting policy, purchased goodwill first accounted for in accounting periods ending before 23 December 1998, the implementation of Financial Reporting Standard No 10, was eliminated from the financial statements by immediate write-off on acquisition against reserves. Such goodwill will be charged or credited to the profit and loss account on the subsequent disposal of the business to which it relates.

**TANGIBLE FIXED ASSETS**

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

Freehold property	- 2% on cost
Improvements to property	- 2% on cost
Plant and machinery	- 25% on cost and 20% on cost
Fixtures and fittings	- 25% on cost and 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 20% on cost

**STOCKS**

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

**DEFERRED TAX**

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

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES - continued**

**FOREIGN CURRENCIES**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS**

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

**INVESTMENTS**

Fixed asset investments are included at cost less amounts written off. Current asset investments are measured at fair value. Changes in fair value are recognised in the profit and loss.

**OPERATING LEASE COMMITMENTS**

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

**FINANCIAL INSTRUMENTS**

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

**2. TURNOVER**

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

An analysis of turnover by geographical market is given below:

	2016	2015
	£	£
United Kingdom	3,333,980	2,750,154
Europe	22,350,360	20,942,357
Rest of World	15,187,181	20,026,459
	<u>40,871,521</u>	<u>43,718,970</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**3. STAFF COSTS**

	2016	2015
	£	£
Wages and salaries	2,075,516	2,125,614
Social security costs	131,100	128,593
Other pension costs	11,734	15,023
	<u>2,218,350</u>	<u>2,269,230</u>

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

	2016	2015
Yard and transport	70	74
Management and administration	12	14
	<u>82</u>	<u>88</u>

**4. OPERATING PROFIT**

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

	2016	2015
	£	£
Depreciation - owned assets	112,545	122,035
Profit on disposal of fixed assets	(417)	(5,000)
Auditors' remuneration	15,495	15,738
Foreign exchange differences	<u>(185,748)</u>	<u>(473,264)</u>
Director's remuneration	<u>339,797</u>	<u>486,974</u>

The number of directors to whom retirement benefits were accruing was as follows:

	3	3
Money purchase schemes	<u>3</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	2016	2015
	£	£
Emoluments etc	<u>137,467</u>	<u>236,941</u>

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2016	2015
	£	£
Other loan interest	48,000	48,002
	<u>48,000</u>	<u>48,002</u>

**6. TAXATION**

**Analysis of the tax charge**

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

	2016	2015
	£	£
Current tax:		
UK corporation tax	501,575	414,116
Deferred tax	497	(7,260)
	<u>502,072</u>	<u>406,856</u>
Tax on profit on ordinary activities	<u>502,072</u>	<u>406,856</u>

**RECONCILIATION OF TOTAL TAX CHARGE 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:

	2016	2015
	£	£
Profit on ordinary activities before tax	2,069,927	3,122,277
	<u>2,069,927</u>	<u>3,122,277</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	413,985	655,678
Effects of:		
Expenses not deductible for tax purposes	3,650	890
Depreciation in excess of capital allowances	6,673	11,406
Small company reduced rate	-	144
Revaluation of assets to fair value	77,267	(254,002)
Movement in deferred taxation	497	(7,260)
	<u>502,072</u>	<u>406,856</u>
Total tax charge	<u>502,072</u>	<u>406,856</u>

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**7. PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £1,024,844 (2015 - £2,049,001).

**8. DIVIDENDS**

	2016 £	2015 £
Ordinary shares of £1 each		
Final	<u>2,500,000</u>	<u>-</u>

**9. INTANGIBLE FIXED ASSETS**

**Group**

	Goodwill £
<b>COST</b>	
At 1 April 2015	
and 31 March 2016	<u>60,297</u>
<b>AMORTISATION</b>	
At 1 April 2015	
and 31 March 2016	<u>60,297</u>
<b>NET BOOK VALUE</b>	
At 31 March 2016	<u>-</u>
At 31 March 2015	<u>-</u>

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**9. INTANGIBLE FIXED ASSETS - continued**

**Company**

	Goodwill £
<b>COST</b>	
At 1 April 2015 and 31 March 2016	60,297
<b>AMORTISATION</b>	
At 1 April 2015 and 31 March 2016	60,297
<b>NET BOOK VALUE</b>	
At 31 March 2016	-
At 31 March 2015	-

**10. TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £	Improvements to property £	Plant and machinery £
<b>COST</b>			
At 1 April 2015	1,856,220	10,530	693,441
Additions	-	-	50,167
Disposals	-	-	(46,600)
At 31 March 2016	1,856,220	10,530	697,008
<b>DEPRECIATION</b>			
At 1 April 2015	501,209	2,493	625,659
Charge for year	36,423	210	37,290
Eliminated on disposal	-	-	(43,183)
At 31 March 2016	537,632	2,703	619,766
<b>NET BOOK VALUE</b>			
At 31 March 2016	1,318,588	7,827	77,242
At 31 March 2015	1,355,011	8,037	67,782

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**10. TANGIBLE FIXED ASSETS - continued**

**Group**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2015	104,211	150,068	23,884	2,838,354
Additions	482	22,788	-	73,437
Disposals	(537)	(15,289)	-	(62,426)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	104,156	157,567	23,884	2,849,365
	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>				
At 1 April 2015	100,310	71,750	23,884	1,325,305
Charge for year	1,194	37,428	-	112,545
Eliminated on disposal	(537)	(15,289)	-	(59,009)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	100,967	93,889	23,884	1,378,841
	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>				
At 31 March 2016	3,189	63,678	-	1,470,524
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2015	3,901	78,318	-	1,513,049
	<hr/>	<hr/>	<hr/>	<hr/>



**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**10. TANGIBLE FIXED ASSETS - continued**

**Company**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 April 2015	624,148	191,603	90,262	94,868	1,000,881
Additions	-	24,290	482	16,788	41,560
Disposals	-	(9,700)	(537)	(15,289)	(25,526)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	624,148	206,193	90,207	96,367	1,016,915
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>					
At 1 April 2015	262,021	156,734	86,360	44,417	549,532
Charge for year	12,483	19,448	1,195	20,244	53,370
Eliminated on disposal	-	(9,700)	(537)	(15,289)	(25,526)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2016	274,504	166,482	87,018	49,372	577,376
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>					
At 31 March 2016	<u>349,644</u>	<u>39,711</u>	<u>3,189</u>	<u>46,995</u>	<u>439,539</u>
At 31 March 2015	<u>362,127</u>	<u>34,869</u>	<u>3,902</u>	<u>50,451</u>	<u>451,349</u>

**11. FIXED ASSET INVESTMENTS**

**Group**

	Unlisted investments £
<b>COST</b>	
At 1 April 2015 and 31 March 2016	<u>189,045</u>
<b>PROVISIONS</b>	
At 1 April 2015 and 31 March 2016	<u>39,045</u>
<b>NET BOOK VALUE</b>	
At 31 March 2016	<u>150,000</u>
At 31 March 2015	<u>150,000</u>

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**11. FIXED ASSET INVESTMENTS - continued**

**Company**

	Shares in group undertakings £	Unlisted investments £	Totals £
<b>COST</b>			
At 1 April 2015			
and 31 March 2016	1,069,164	189,045	1,258,209
	<hr/>	<hr/>	<hr/>
<b>PROVISIONS</b>			
At 1 April 2015			
and 31 March 2016	-	39,045	39,045
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2016	1,069,164	150,000	1,219,164
	<hr/>	<hr/>	<hr/>
At 31 March 2015	1,069,164	150,000	1,219,164
	<hr/>	<hr/>	<hr/>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**SUBSIDIARIES**

**A & A K Butterworth Limited**

Nature of business: Hide and skins merchant and broker

	%
Class of shares:	holding
Ordinary	75.00

**Dee Baylis Limited**

Nature of business: Hide and skins merchant and broker

	%
Class of shares:	holding
Ordinary	76.50

The company is subject to a put option to purchase the remaining shares of Dee Baylis Limited in accordance with an option agreement with the holder of the minority shareholding.

**McConomy & Co. Limited**

Nature of business: Hide and skins merchant and broker

	%
Class of shares:	holding
Ordinary	100.00

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**11. FIXED ASSET INVESTMENTS - continued**

**Holmes Hall (Processors) Limited**

Nature of business: Hide and skin processors

	%		
Class of shares:	holding		
Ordinary	30.00		
		25.10.15	25.10.14
		£	£
Aggregate capital and reserves		652,550	667,483
Loss for the year		(14,933)	(30,284)
		<u>          </u>	<u>          </u>

Holmes Hall (Processors) Limited is excluded from the consolidation on the grounds that the director does not consider that they exert influence or control over the company.

**12. STOCKS**

	<b>Group</b>		<b>Company</b>	
	2016	2015	2016	2015
	£	£	£	£
Finished goods	<u>1,838,425</u>	<u>1,560,082</u>	<u>736,822</u>	<u>628,479</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	4,210,316	3,865,624	4,062,513	3,703,658
Amounts owed by group undertakings	-	-	176,253	-
Other debtors	416,000	617,352	411,000	612,352
VAT	813,121	1,042,650	750,891	1,143,367
Deferred tax asset	-	-	2,923	3,548
Prepayments	329,938	1,555,297	306,221	1,307,065
	<u>5,769,375</u>	<u>7,080,923</u>	<u>5,709,801</u>	<u>6,769,990</u>

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**14. CURRENT ASSET INVESTMENTS**

	<b>Group</b>		<b>Company</b>	
	2016	2015	2016	2015
	£	£	£	£
Listed investments	<u>3,389,928</u>	<u>5,706,919</u>	<u>3,389,928</u>	<u>5,706,919</u>

Market value of listed investments at 31 March 2016 held by the group and the company - £3,389,928

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts (see note 16)	1,414,717	1,831,466	-	-
Other loans (see note 16)	800,000	800,000	800,000	800,000
Trade creditors	2,668,616	2,791,544	1,160,183	1,557,844
Amounts owed to group undertakings	-	-	6,400,956	6,595,038
Tax	372,281	213,814	230,505	30,695
Social security and other taxes	41,526	39,966	20,186	19,781
Other creditors	332,023	331,237	225,309	225,582
Accrued expenses	937,633	853,443	407,570	416,439
	<u>6,566,796</u>	<u>6,861,470</u>	<u>9,244,709</u>	<u>9,645,379</u>

**16. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	2016	2015	2016	2015
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	1,414,717	1,831,466	-	-
Other loans	800,000	800,000	800,000	800,000
	<u>2,214,717</u>	<u>2,631,466</u>	<u>800,000</u>	<u>800,000</u>

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>	
	2016	2015
	£	£
Bank overdrafts	<u>1,414,717</u>	<u>1,831,466</u>

The bank overdraft is secured by a cross guarantee amongst the group companies held by the bank.

**18. PROVISIONS FOR LIABILITIES**

	<b>Group</b>	
	2016	2015
	£	£
Deferred tax	<u>2,250</u>	<u>1,753</u>
<b>Group</b>		
		Deferred
		tax
		£
Balance at 1 April 2015		1,753
Accelerated capital allowances		<u>497</u>
Balance at 31 March 2016		<u>2,250</u>
<b>Company</b>		
		Deferred
		tax
		£
Balance at 1 April 2015		(3,548)
Decelerated capital allowances		<u>625</u>
Balance at 31 March 2016		<u>(2,923)</u>

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**19. MINORITY INTERESTS**

	2016 £	2015 £
At 1 April 2015	1,294,546	1,135,103
Profit during year	120,659	159,443
At 31 March 2016	<u>1,415,205</u>	<u>1,294,546</u>

**20. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
63,586	Ordinary	£1	<u>63,586</u>	<u>63,586</u>

**21. RESERVES**

**Group**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 April 2015	13,370,902	29,524	126,414	13,526,840
Profit for the year	1,447,196			1,447,196
Dividends	(2,500,000)			(2,500,000)
At 31 March 2016	<u>12,318,098</u>	<u>29,524</u>	<u>126,414</u>	<u>12,474,036</u>

**Company**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 April 2015	8,731,770	29,524	126,414	8,887,708
Profit for the year	1,024,844			1,024,844
Dividends	(2,500,000)			(2,500,000)
At 31 March 2016	<u>7,256,614</u>	<u>29,524</u>	<u>126,414</u>	<u>7,412,552</u>

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2016**

**22. PENSION COMMITMENTS**

The company operates a defined contribution scheme for directors and employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions for the period of £10,624 (2015 - £15,023) were paid by the company to the fund. One director is accruing benefits under the scheme.

**23. RELATED PARTY DISCLOSURES**

During the year, total dividends of £2,500,000 were paid to the director.

The company was under the control of Mr J A Woodward throughout the current and previous year. Mr J A Woodward is the managing director and sole shareholder.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Included in creditors is a loan of £800,000 from Mrs R Woodward, wife of J A Woodward. The loan was fully outstanding at the year end and interest of £48,000 (2015 - £48,002) was paid in relation to the loan during the year.

**24. ULTIMATE CONTROLLING PARTY**

The controlling party is J Woodward.

**25. FIRST YEAR ADOPTION**

The current asset investments held on the Balance Sheet are shown at fair value. Prior to the adoption of FRS102 the investments had been shown at cost. The year end value in the transitional period have been amended to reflect this new treatment as shown in the equity and profit reconciliations included in these financial statements.

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**RECONCILIATION OF EQUITY  
1 APRIL 2014  
(DATE OF TRANSITION TO FRS 102)**

	<b>Notes</b>	<b>UK GAAP £</b>	<b>Effect of transition to FRS 102 £</b>	<b>FRS 102 £</b>
<b>FIXED ASSETS</b>				
Tangible assets		1,595,628	-	1,595,628
Investments		150,000	-	150,000
		<u>1,745,628</u>	<u>-</u>	<u>1,745,628</u>
<b>CURRENT ASSETS</b>				
Stocks		1,533,203	-	1,533,203
Debtors		6,258,668	-	6,258,668
Investments		4,497,386	731,266	5,228,652
Cash at bank and in hand		4,444,543	-	4,444,543
		<u>16,733,800</u>	<u>731,266</u>	<u>17,465,066</u>
<b>CREDITORS</b>				
Amounts falling due within one year		(6,300,864)	-	(6,300,864)
<b>NET CURRENT ASSETS</b>		<u>10,432,936</u>	<u>731,266</u>	<u>11,164,202</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		12,178,564	731,266	12,909,830
<b>PROVISIONS FOR LIABILITIES</b>		(9,013)	-	(9,013)
<b>MINORITY INTERESTS</b>		<u>(1,135,103)</u>	<u>-</u>	<u>(1,135,103)</u>
<b>NET ASSETS</b>		<u>11,034,448</u>	<u>731,266</u>	<u>11,765,714</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		63,586	-	63,586
Share premium		29,524	-	29,524
Capital redemption reserve		126,414	-	126,414
Other reserves		10,814,924	731,266	11,546,190
<b>SHAREHOLDERS' FUNDS</b>		<u>11,034,448</u>	<u>731,266</u>	<u>11,765,714</u>

The notes form part of these financial statements



**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**RECONCILIATION OF EQUITY - continued**  
**31 MARCH 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets		1,513,049	-	1,513,049
Investments		150,000	-	150,000
		<u>1,663,049</u>	<u>-</u>	<u>1,663,049</u>
<b>CURRENT ASSETS</b>				
Stocks		1,560,082	-	1,560,082
Debtors		7,080,923	-	7,080,923
Investments		4,497,386	1,209,533	5,706,919
Cash at bank and in hand		5,737,222	-	5,737,222
		<u>18,875,613</u>	<u>1,209,533</u>	<u>20,085,146</u>
<b>CREDITORS</b>				
Amounts falling due within one year		(6,861,470)	-	(6,861,470)
<b>NET CURRENT ASSETS</b>		<u>12,014,143</u>	<u>1,209,533</u>	<u>13,223,676</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,677,192</u>	<u>1,209,533</u>	<u>14,886,725</u>
<b>PROVISIONS FOR LIABILITIES</b>		(1,753)	-	(1,753)
<b>MINORITY INTERESTS</b>		(1,294,546)	-	(1,294,546)
<b>NET ASSETS</b>		<u><u>12,380,893</u></u>	<u><u>1,209,533</u></u>	<u><u>13,590,426</u></u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		63,586	-	63,586
Share premium		29,524	-	29,524
Capital redemption reserve		126,414	-	126,414
Retained earnings		12,161,369	1,209,533	13,370,902
<b>SHAREHOLDERS' FUNDS</b>		<u><u>12,380,893</u></u>	<u><u>1,209,533</u></u>	<u><u>13,590,426</u></u>

The notes form part of these financial statements

**BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)**

**RECONCILIATION OF PROFIT  
FOR THE YEAR ENDED 31 MARCH 2015**

	<b>UK GAAP £</b>	<b>Effect of transition to FRS 102 £</b>	<b>FRS 102 £</b>
<b>TURNOVER</b>	43,718,970	-	43,718,970
Cost of sales	(37,838,296)	-	(37,838,296)
<b>GROSS PROFIT</b>	5,880,674	-	5,880,674
Administrative expenses	(3,968,038)	-	(3,968,038)
Other operating income	46,778	-	46,778
<b>OPERATING PROFIT</b>	1,959,414	-	1,959,414
Revaluation of assets to fair value	-	1,209,533	1,209,533
Interest receivable and similar income	1,332	-	1,332
Interest payable and similar charges	(48,002)	-	(48,002)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	1,912,744	1,209,533	3,122,277
Tax on profit on ordinary activities	(406,856)	-	(406,856)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	1,505,888	1,209,533	2,715,421
Minority interest - equity	(159,443)	-	(159,443)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	1,346,445	1,209,533	2,555,978
Profit attributable to:			
Owners of the parent	1,187,002	1,209,533	2,396,535
Minority interests	159,443	-	159,443
	1,346,445	1,209,533	2,555,978

The notes form part of these financial statements