

REGISTERED NUMBER: 01615294 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020
FOR
BRADFORD HIDE COMPANY LIMITED**



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FOR THE YEAR ENDED 31 MARCH 2020**

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BRADFORD HIDE COMPANY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2020**

DIRECTOR: J Woodward

SECRETARY: Ms 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 2020**

The director presents his strategic report of the company and the group for the year ended 31 March 2020.

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 £13,046,279 (2019 - £20,361,209), this was a decrease of 35.9% on the previous year and pre tax profits have decreased from £1,740,400 in 2019 to £444,160 for the year ended 31 March 2020. This reduction includes a loss made on current asset investments of £707,011 which means trading profit for the year was actually £1,151,171. 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 Euros. The use of Forward Exchange contracts are used to overcome any currency exchange risks.

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 73.

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

16 November 2020

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 MARCH 2020**

The director presents his report with the financial statements of the company and the group for the year ended 31 March 2020.

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 dividends will be distributed for the year ended 31 March 2020.

DIRECTOR

J Woodward held office during the whole of the period from 1 April 2019 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, 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.


**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 MARCH 2020**

AUDITORS

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

ON BEHALF OF THE BOARD:

J Woodward - Director

A handwritten signature in black ink, appearing to be 'J Woodward', written over the printed name.

16 November 2020

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

Opinion

We have audited the financial statements of Bradford Hide Company Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 31 March 2020 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.

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 group 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group'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 director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, 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.

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

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 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; and
- the Group Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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.

Responsibilities of director

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, and for such internal control as the director determines 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 director is responsible for assessing the group's and the parent 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 director either intends to liquidate the group or the parent company or to cease operations, or has 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. This description forms part of our Report of the Auditors.

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

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.



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

16 November 2020

BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
TURNOVER	3	13,046,279	20,361,209
Cost of sales		<u>(8,607,511)</u>	<u>(15,230,453)</u>
GROSS PROFIT		4,438,768	5,130,756
Administrative expenses		<u>(3,310,455)</u>	<u>(3,742,305)</u>
		1,128,313	1,388,451
Other operating income		<u>32,606</u>	<u>49,215</u>
OPERATING PROFIT	5	1,160,919	1,437,666
Revaluation of assets to fair value	6	<u>(707,011)</u>	<u>339,128</u>
		453,908	1,776,794
Interest receivable and similar income		<u>38,252</u>	<u>11,606</u>
		492,160	1,788,400
Interest payable and similar expenses	7	<u>(48,000)</u>	<u>(48,000)</u>
PROFIT BEFORE TAXATION		444,160	1,740,400
Tax on profit	8	<u>(227,026)</u>	<u>(328,394)</u>
PROFIT FOR THE FINANCIAL YEAR		217,134	1,412,006
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>217,134</u></u>	<u><u>1,412,006</u></u>
Profit attributable to:			
Owners of the parent		70,761	1,309,715
Non-controlling interests		<u>146,373</u>	<u>102,291</u>
		<u><u>217,134</u></u>	<u><u>1,412,006</u></u>

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 2020**

	2020 £	2019 £
Total comprehensive income attributable to: Owners of the parent	<u>217,134</u>	<u>1,412,006</u>

The notes form part of these financial statements

BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)

**CONSOLIDATED BALANCE SHEET
31 MARCH 2020**

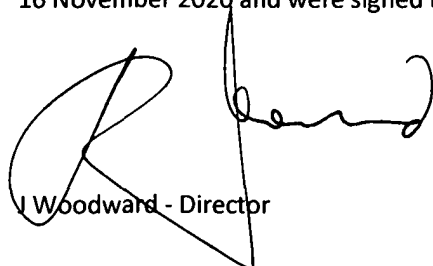
	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	1,269,899	1,362,269
Investments	12	154,216	154,216
		<u>1,424,115</u>	<u>1,516,485</u>
CURRENT ASSETS			
Stocks	13	160,710	410,078
Debtors	14	7,743,228	8,440,762
Investments	15	6,375,773	6,082,784
Cash at bank and in hand		6,602,539	5,849,178
		<u>20,882,250</u>	<u>20,782,802</u>
CREDITORS			
Amounts falling due within one year	16	(3,622,021)	(3,826,162)
NET CURRENT ASSETS		<u>17,260,229</u>	<u>16,956,640</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,684,344</u>	<u>18,473,125</u>
PROVISIONS FOR LIABILITIES	19	(174,389)	(352,636)
NET ASSETS		<u><u>18,509,955</u></u>	<u><u>18,120,489</u></u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET - continued
31 MARCH 2020

	Notes	2020 £	2019 £
CAPITAL AND RESERVES			
Called up share capital	20	63,586	63,586
Share premium	21	29,524	29,524
Capital redemption reserve	21	126,414	126,414
Fair value reserve	21	1,141,639	1,676,318
Retained earnings	21	15,259,160	14,481,388
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS		16,620,323	16,377,230
NON-CONTROLLING INTERESTS			
	22	1,889,632	1,743,259
		<hr/>	<hr/>
TOTAL EQUITY		<u>18,509,955</u>	<u>18,120,489</u>

The financial statements were approved and authorised for issue by the director and authorised for issue on 16 November 2020 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 2020**

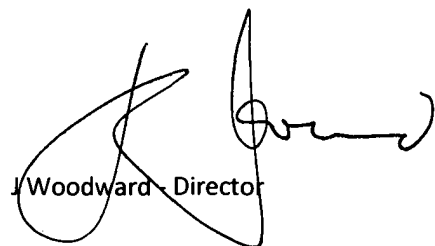
	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	413,229	452,698
Investments	12	1,223,380	1,223,380
		<u>1,636,609</u>	<u>1,676,078</u>
CURRENT ASSETS			
Stocks	13	58,900	108,115
Debtors	14	7,646,844	8,258,027
Investments	15	6,375,773	6,082,784
Cash at bank and in hand		5,081,722	5,022,581
		<u>19,163,239</u>	<u>19,471,507</u>
CREDITORS			
Amounts falling due within one year	16	(10,638,406)	(10,587,805)
		<u>8,524,833</u>	<u>8,883,702</u>
NET CURRENT ASSETS			
		<u>10,161,442</u>	<u>10,559,780</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>10,161,442</u>	<u>10,559,780</u>
PROVISIONS FOR LIABILITIES	19	(171,299)	(344,561)
NET ASSETS		<u>9,990,143</u>	<u>10,215,219</u>

The notes form part of these financial statements

COMPANY BALANCE SHEET - continued
31 MARCH 2020

	Notes	2020 £	2019 £
CAPITAL AND RESERVES			
Called up share capital	20	63,586	63,586
Share premium	21	29,524	29,524
Capital redemption reserve	21	126,414	126,414
Fair value reserve	21	1,141,639	1,676,318
Retained earnings	21	8,628,980	8,319,377
SHAREHOLDERS' FUNDS		<u>9,990,143</u>	<u>10,215,219</u>
Company's (loss)/profit for the financial year		<u>(397,408)</u>	<u>1,007,674</u>

The financial statements were approved by the director and authorised for issue on 16 November 2020 and were signed by:



J Woodward - Director

The notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £
Balance at 1 April 2018	63,586	13,510,801	29,524	126,414
Changes in equity				
Total comprehensive income	-	970,587	-	-
Balance at 31 March 2019	63,586	14,481,388	29,524	126,414
Changes in equity				
Total comprehensive income	-	777,772	-	-
Balance at 31 March 2020	63,586	15,259,160	29,524	126,414
	Fair value reserve £	Total £	Non-controlling interests £	Total equity £
Balance at 1 April 2018	1,337,190	15,067,515	1,743,259	16,810,774
Changes in equity				
Total comprehensive income	339,128	1,309,715	-	1,309,715
Balance at 31 March 2019	1,676,318	16,377,230	1,743,259	18,120,489
Changes in equity				
Total comprehensive income	(534,679)	243,093	-	243,093
Balance at 31 March 2020	1,141,639	16,620,323	1,743,259	18,363,582

The notes form part of these financial statements

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2018	63,586	7,650,831	29,524
Changes in equity			
Total comprehensive income	-	668,546	-
Balance at 31 March 2019	63,586	8,319,377	29,524
Changes in equity			
Total comprehensive income	-	309,603	-
Balance at 31 March 2020	63,586	8,628,980	29,524
	Capital redemption reserve £	Fair value reserve £	Total equity £
Balance at 1 April 2018	126,414	1,337,190	9,207,545
Changes in equity			
Total comprehensive income	-	339,128	1,007,674
Balance at 31 March 2019	126,414	1,676,318	10,215,219
Changes in equity			
Total comprehensive income	-	(534,679)	(225,076)
Balance at 31 March 2020	126,414	1,141,639	9,990,143

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	2,036,014	2,876,214
Interest paid		(48,000)	(48,000)
Tax paid		(258,597)	(216,340)
Net cash from operating activities		<u>1,729,417</u>	<u>2,611,874</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(28,008)	(175,275)
Sale of tangible fixed assets		13,700	30,000
Purchase of current asset investments		(1,000,000)	-
Interest received		38,252	11,606
Net cash from investing activities		<u>(976,056)</u>	<u>(133,669)</u>
Increase in cash and cash equivalents		<u>753,361</u>	<u>2,478,205</u>
Cash and cash equivalents at beginning of year	2	5,849,178	3,370,973
Cash and cash equivalents at end of year	2	<u><u>6,602,539</u></u>	<u><u>5,849,178</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

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

	2020 £	2019 £
Profit before taxation	444,160	1,740,400
Depreciation charges	117,010	110,514
Profit on disposal of fixed assets	(10,331)	(26,635)
Revaluation of current asset investments	707,010	(339,128)
Finance costs	48,000	48,000
Finance income	(38,252)	(11,606)
	<u>1,267,597</u>	<u>1,521,545</u>
Decrease in stocks	249,368	362,466
Decrease in trade and other debtors	699,265	1,189,889
Decrease in trade and other creditors	(180,216)	(197,686)
	<u>2,036,014</u>	<u>2,876,214</u>
Cash generated from operations	<u><u>2,036,014</u></u>	<u><u>2,876,214</u></u>

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 March 2020

	31.3.20 £	1.4.19 £
Cash and cash equivalents	<u>6,602,539</u>	<u>5,849,178</u>

Year ended 31 March 2019

	31.3.19 £	1.4.18 £
Cash and cash equivalents	<u>5,849,178</u>	<u>3,370,973</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	5,849,178	753,361	6,602,539
	<u>5,849,178</u>	<u>753,361</u>	<u>6,602,539</u>
 Liquid resources			
Current asset investments	6,082,784	292,989	6,375,773
	<u>6,082,784</u>	<u>292,989</u>	<u>6,375,773</u>
 Debt			
Debts falling due within 1 year	(800,000)	-	(800,000)
	<u>(800,000)</u>	<u>-</u>	<u>(800,000)</u>
 Total	<u>11,131,962</u>	<u>1,046,350</u>	<u>12,178,312</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. STATUTORY INFORMATION

Bradford Hide Company 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 General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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.

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.

INTANGIBLE ASSETS

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of 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

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

STOCKS

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

TAXATION

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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.

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued**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.

3. 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:

	2020 £	2019 £
United Kingdom	1,512,392	1,778,406
Europe	6,070,102	12,218,629
Rest of World	5,463,785	6,364,174
	<u>13,046,279</u>	<u>20,361,209</u>

4. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	2,096,668	2,264,423
Social security costs	213,712	223,773
Other pension costs	39,669	33,534
	<u>2,350,049</u>	<u>2,521,730</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

4. EMPLOYEES AND DIRECTORS - continued

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

	2020	2019
Yard and transport	62	70
Management and administration	11	11
	<u>73</u>	<u>81</u>

	2020	2019
	£	£
Director's remuneration	599,804	575,633
	<u>599,804</u>	<u>575,633</u>

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

	2020	2019
Money purchase schemes	<u>3</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	2020	2019
	£	£
Emoluments etc	371,875	379,975
	<u>371,875</u>	<u>379,975</u>

5. OPERATING PROFIT

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

	2020	2019
	£	£
Depreciation - owned assets	117,009	110,513
Profit on disposal of fixed assets	(10,331)	(26,635)
Auditors' remuneration	16,997	21,744
Foreign exchange differences	(19,467)	22,173
	<u>94,208</u>	<u>127,795</u>

6. EXCEPTIONAL ITEMS

	2020	2019
	£	£
Revaluation of assets to fair value	(707,011)	339,128
	<u>(707,011)</u>	<u>339,128</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Other loan interest	<u>48,000</u>	<u>48,000</u>

8. TAXATION**Analysis of the tax charge**

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	232,941	259,291
Deferred tax	<u>(5,915)</u>	<u>69,103</u>
Tax on profit	<u>227,026</u>	<u>328,394</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:

	2020	2019
	£	£
Profit before tax	<u>444,160</u>	<u>1,740,400</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	84,390	330,676
Effects of:		
Expenses not deductible for tax purposes	1,592	794
Capital allowances in excess of depreciation	-	(7,745)
Depreciation in excess of capital allowances	12,627	-
Revaluation of assets to fair value	134,332	(64,434)
Movement in deferred taxation	<u>(5,915)</u>	<u>69,103</u>
Total tax charge	<u>227,026</u>	<u>328,394</u>

9. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

10. INTANGIBLE FIXED ASSETS**Group**

Goodwill
£

COST

At 1 April 2019
and 31 March 2020

60,297

AMORTISATION

At 1 April 2019
and 31 March 2020

60,297

NET BOOK VALUE

At 31 March 2020

-

At 31 March 2019

-

Company

Goodwill
£

COST

At 1 April 2019
and 31 March 2020

60,297

AMORTISATION

At 1 April 2019
and 31 March 2020

60,297

NET BOOK VALUE

At 31 March 2020

-

At 31 March 2019

-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

11. TANGIBLE FIXED ASSETS**Group**

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 April 2019	1,756,220	10,530	688,180
Additions	-	-	12,964
Disposals	-	-	(22,750)
At 31 March 2020	<u>1,756,220</u>	<u>10,530</u>	<u>678,394</u>
DEPRECIATION			
At 1 April 2019	613,267	3,335	629,618
Charge for year	35,127	211	22,714
Eliminated on disposal	-	-	(21,146)
At 31 March 2020	<u>648,394</u>	<u>3,546</u>	<u>631,186</u>
NET BOOK VALUE			
At 31 March 2020	<u>1,107,826</u>	<u>6,984</u>	<u>47,208</u>
At 31 March 2019	<u>1,142,953</u>	<u>7,195</u>	<u>58,562</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

11. TANGIBLE FIXED ASSETS - continued**Group**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2019	99,066	297,342	6,033	2,857,371
Additions	15,044	-	-	28,008
Disposals	(1,700)	(25,238)	-	(49,688)
At 31 March 2020	112,410	272,104	6,033	2,835,691
DEPRECIATION				
At 1 April 2019	93,266	150,710	4,906	1,495,102
Charge for year	3,859	54,743	355	117,009
Eliminated on disposal	(1,700)	(23,473)	-	(46,319)
At 31 March 2020	95,425	181,980	5,261	1,565,792
NET BOOK VALUE				
At 31 March 2020	16,985	90,124	772	1,269,899
At 31 March 2019	5,800	146,632	1,127	1,362,269

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

11. TANGIBLE FIXED ASSETS - continued**Company**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2019	624,148	274,148	99,067	110,592	1,107,955
Additions	-	12,965	15,044	-	28,009
Disposals	-	(22,750)	(1,700)	(16,788)	(41,238)
At 31 March 2020	624,148	264,363	112,411	93,804	1,094,726
DEPRECIATION					
At 1 April 2019	311,953	210,365	93,266	39,673	655,257
Charge for year	12,483	22,234	3,859	27,298	65,874
Eliminated on disposal	-	(21,146)	(1,700)	(16,788)	(39,634)
At 31 March 2020	324,436	211,453	95,425	50,183	681,497
NET BOOK VALUE					
At 31 March 2020	299,712	52,910	16,986	43,621	413,229
At 31 March 2019	312,195	63,783	5,801	70,919	452,698

12. FIXED ASSET INVESTMENTS**Group**

	Unlisted investments £
COST	
At 1 April 2019 and 31 March 2020	193,261
PROVISIONS	
At 1 April 2019 and 31 March 2020	39,045
NET BOOK VALUE	
At 31 March 2020	154,216
At 31 March 2019	154,216

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

12. FIXED ASSET INVESTMENTS - continued**Company**

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 April 2019 and 31 March 2020	<u>1,069,164</u>	<u>193,261</u>	<u>1,262,425</u>
PROVISIONS			
At 1 April 2019 and 31 March 2020	<u>-</u>	<u>39,045</u>	<u>39,045</u>
NET BOOK VALUE			
At 31 March 2020	<u>1,069,164</u>	<u>154,216</u>	<u>1,223,380</u>
At 31 March 2019	<u>1,069,164</u>	<u>154,216</u>	<u>1,223,380</u>

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**

Registered office: Unit B, Weir Lane, Worcester, WR2 4AY

Nature of business: Hide and skins merchant and broker

	%
Class of shares:	holding
Ordinary	75.00

Dee Baylis Limited

Registered office: Stephens Way, Goose Green, Wigan, WN3 6PH

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

Registered office: Stephens Way, Goose Green, Wigan, WN3 6PH

Nature of business: Hide and skins merchant and broker

	%
Class of shares:	holding
Ordinary	100.00

BRADFORD HIDE COMPANY LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

12. FIXED ASSET INVESTMENTS - continued

McConomy & Co. Limited

Registered office: Stephens Way, Goose Green, Wigan, WN3 6PH

Nature of business: Hide and skins merchant and broker

	%
Class of shares:	holding
Ordinary	100.00

Holmes Hall (Processors) Limited

Registered office: Sculcoates Tannery, Sculcoates, Hull, HU5 1RL

Nature of business: Hide and skin processors

	%
Class of shares:	holding
Ordinary	30.00

	25.10.19	25.10.18
	£	£
Aggregate capital and reserves	1,632,852	1,670,508
(Loss)/profit for the year	(37,656)	462,398

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.

Bradford Italia SRL

Registered office: via Ferraretta, 14 - 36071 (VI) Italy

Nature of business: Hide and skin processors

	%
Class of shares:	holding
Shares	50.00

	31.12.19	31.12.18
	£	£
Aggregate capital and reserves	518,878	323,631
Profit for the year	111,373	308,519

Bradford Italia SRL is excluded from the consolidation on the grounds that the director does not consider that they exert influence or control over the company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	1,388,245	2,487,340	1,338,033	2,409,304
Other debtors	5,812,954	4,248,504	5,798,504	4,248,504
Tax	1,731	-	1,731	-
VAT	202,572	1,487,193	207,124	1,412,485
Prepayments	337,726	217,725	301,452	187,734
	<u>7,743,228</u>	<u>8,440,762</u>	<u>7,646,844</u>	<u>8,258,027</u>

15. CURRENT ASSET INVESTMENTS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Listed investments	<u>6,375,773</u>	<u>6,082,784</u>	<u>6,375,773</u>	<u>6,082,784</u>

Market value of listed investments at 31 March 2020 held by the group and the company - £6,375,773

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Other loans (see note 17)	800,000	800,000	800,000	800,000
Trade creditors	1,433,650	1,572,759	975,436	1,034,067
Amounts owed to group undertakings	-	-	8,386,919	8,138,087
Tax	154,674	178,599	-	82,422
Social security and other taxes	39,120	48,248	16,427	22,663
VAT creditor	-	9,724	-	-
Other creditors	125,707	268,662	45,372	94,134
Accrued expenses	1,068,870	948,170	414,252	416,432
	<u>3,622,021</u>	<u>3,826,162</u>	<u>10,638,406</u>	<u>10,587,805</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year or on demand:				
Other loans	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>

18. SECURED DEBTS

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

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax	<u>174,389</u>	<u>352,636</u>	<u>171,299</u>	<u>344,561</u>
Group				
				Deferred tax
				£
Balance at 1 April 2019				352,636
Decelerated capital allowances				(5,915)
Anticipated capital gain				(172,332)
Change in rate of tax				<u> </u>
Balance at 31 March 2020				<u>174,389</u>
Company				
				Deferred tax
				£
Balance at 1 April 2019				344,561
Decelerated capital allowances				(930)
Anticipated Capital Gain/(Loss)				(172,332)
Change in rate of tax				<u> </u>
Balance at 31 March 2020				<u>171,299</u>

BRADFORD HIDE COMPANY LIMITED (REGISTERED NUMBER: 01615294)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
63,586	Ordinary	£1	<u>63,586</u>	<u>63,586</u>

21. RESERVES

Group

	Retained earnings £	Share premium £	Capital redemption reserve £	Fair value reserve £	Totals £
At 1 April 2019	14,481,388	29,524	126,414	1,676,318	16,313,644
Profit for the year	70,761				70,761
Adjustment to fair value	707,011	-	-	(534,679)	172,332
At 31 March 2020	<u>15,259,160</u>	<u>29,524</u>	<u>126,414</u>	<u>1,141,639</u>	<u>16,556,737</u>

Company

	Retained earnings £	Share premium £	Capital redemption reserve £	Fair value reserve £	Totals £
At 1 April 2019	8,319,377	29,524	126,414	1,676,318	10,151,633
Deficit for the year	(397,408)				(397,408)
Adjustment to fair value	707,011	-	-	(534,679)	172,332
At 31 March 2020	<u>8,628,980</u>	<u>29,524</u>	<u>126,414</u>	<u>1,141,639</u>	<u>9,926,557</u>

22. NON-CONTROLLING INTERESTS

	2020 £	2019 £
At 1 April 2019	1,737,273	1,640,968
Profit during year	145,573	96,305
At 31 March 2020	<u>1,882,846</u>	<u>1,737,273</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020**

23. PENSION COMMITMENTS

The group operates a defined contribution scheme for directors and employees. The assets of the scheme are held separately from those of the group in an independently administered fund. Contributions for the period of £39,669 (2019 - £33,534) were paid by the group to the fund.

Three directors are accruing benefits under the scheme.

24. RELATED PARTY DISCLOSURES

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 (2019 - £48,000) was paid in relation to the loan during the year.

During the year a loan of £5,388,504 (2019 - £4,038,504) was provided to Verbeia Properties Limited a company of which Mr J A Woodward is a director.

25. ULTIMATE CONTROLLING PARTY

The controlling party is J Woodward.