

W&WE (Wales and West England) Limited
*(formerly known as WW&E (Wales and West England) Limited and
VION Food Wales & West England Limited)*

Directors' report and financial statements
31 December 2012
Registered number 2169077



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2012

The financial statements have been prepared for the 52 week trading period from 1 January 2012 to 29 December 2012. The comparative period is for the 52 week trading period ended 31 December 2011.

Registered Number

The company's registered number is 2169077

Principal Activities, Trading Review and Future Developments

During the year the principal activity of the company was the processing and packaging of meat

The profit and loss account on page 8 shows the company made a profit of £233,000 (2011 loss of £1,291,000) for the year

On 8 March 2013 the shares in the company were acquired by Amber Real Estate Investments Limited

The company changed its name from VION Food Wales & West England to WW&E (Wales and West England) Limited on 15 March 2013 and subsequently to W&WE (Wales & West England) Limited on 5 April 2013

Following the balance sheet date the principal activity of the company changed to that of an investment property company. As a result all operations during the year have been classified as discontinued

Dividend

The directors do not recommend the payment of a dividend (2011 £Nil)

Parent Company

The company's immediate and ultimate parent company is Amber Real Estate Investments Limited

Political and charitable donations

The company made no political or charitable donations during the year

Post balance sheet events

On 30 December 2012, following the year end, the company entered into an agreement to acquire the McIntosh Donald business operations and assets from VION Food Scotland Limited, a fellow group company at the time of the transaction. Effective responsibility for ongoing operations and management of this site transferred from the VION Food Scotland Limited on 30 December 2012. In addition the employees of this site transferred under TUPE arrangements from VION Food Scotland Limited

On 14 February 2013 the company entered into an agreement to transfer the Welsh Country Foods business operations and assets to VION Food Scotland Limited, a fellow group company at the time of the transaction. Effective responsibility for ongoing operations and management of this site transferred to the VION Food Scotland Limited on 14 February 2013. In addition the employees of this site transferred under TUPE arrangements to VION Food Scotland

On 8 March 2013 the company entered into agreements to transfer the business operations and plant assets of all sites to VION Red Meat Limited and VION Poultry Limited, fellow group companies at the time of the transaction. Effective responsibility for ongoing operations and management of these sites transferred to VION Red Meat Limited and VION Poultry Limited on 8 March 2013. In addition the employees of these sites transferred under TUPE arrangements to VION Red Meat Limited and VION Poultry Limited

On 8 March 2013 the shares of W&WE (Wales and West England) Limited were acquired by Amber Real Estate Investments Limited. Following change in ownership, the activities of the company have changed from meat processing and packaging to investment property. As a result of this transaction all operations have been classified as discontinued

Principal risks and uncertainties

Following change in ownership, the activities of the company have changed from meat processing and packaging to investment property. The directors do not consider the business to have any significant risks

Directors' report *(continued)*

Key Performance Indicators

During the year the company utilised a number of production and manufacturing efficiency indicators to monitor and improve the company's performance. The company closely monitored raw materials and customer pricing on a product by product basis to ensure adequate margins were maintained.

Following the year end the company is now an investment property company. The directors do not consider the business to have any significant key performance indicators.

Directors

The directors who held office during the year were as follows

R J Rafferty	(appointed 8 March 2013)
J A Charles	(appointed 8 March 2013)
J J Peralta	(resigned 8 March 2013)
A M Christiaan	(resigned 1 February 2012)
S R W Francis	(resigned 16 March 2012)
L A M Verna	(resigned 8 March 2013)
P J Miller	(resigned 8 March 2013)
M A Steven	(resigned 8 March 2013)
M Kusters	(appointed 1 March 2012, resigned 8 March 2013)

The directors benefit from qualifying third party indemnity provisions which continued in place from their appointment and at the date of this report or to the date of resignation.

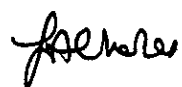
Disclosure of information to auditors

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

Auditors

BDO LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the board

 19.08.2013

J Charles
Director

2nd Floor Colmore Court
9 Colmore Row
Birmingham
B3 2BJ

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

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

Independent auditor's report to the members of W&WE (Wales & West England) Limited

We have audited the financial statements of W&WE (Wales & West England) Limited for the year ended 31 December 2012 which comprise the profit and loss account, the statement of total recognised gains and losses, the note of historical cost profits and losses, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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.

Opinion on other matters prescribed by the Companies Act 2006

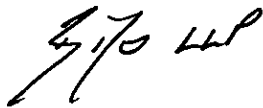
In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of W&WE (Wales & West England) Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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



Ian Beaumont (senior statutory auditor)

For and on behalf of BDO LLP, statutory auditor

1 Bridgewater Place, Water Lane, Leeds, LS11 5RU

United Kingdom

29/8/2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Profit and loss account
for the year ended 31 December 2012

	<i>Note</i>	2012 £000	2011 £000
Turnover	2	754,883	755,372
Change in stocks of finished goods and goods for resale		615	(6,883)
Raw materials and consumables		(582,180)	(571,942)
Staff costs	7	(67,687)	(62,182)
Depreciation and other amounts written off tangible fixed assets	3	(11,410)	(8,853)
Other operating charges		(90,042)	(92,282)
		(750,704)	(742,142)
Operating profit		4,179	13,230
Interest receivable and similar income	4	-	4
Dividend income		-	1
Interest payable and similar charges	5	(850)	(1,108)
Profit on ordinary activities before taxation	3	3,329	12,127
Taxation charge on profit on ordinary activities	8	(3,096)	(13,418)
Profit / (loss) for the financial year	18	233	(1,291)

All figures relate to discontinued operations

The notes on pages 11 to 22 form part of these financial statements

**Statement of total recognised gains and losses
 and note of historical cost profits and losses**
for the year ended 31 December 2012

	2012 £000	2011 £000
Statement of total recognised gains and losses		
Profit / (loss) for the financial year	233	(1,291)
Revaluation of freehold land and buildings	-	38,913
Distribution from subsidiary	-	90
Total gains and losses recognised since last financial statements	233	37,712
	<hr/>	<hr/>
	2012 £000	2011 £000
Note of historical cost profits and losses		
Reported profit on ordinary activities before taxation	3,329	12,127
Difference between actual and historical cost depreciation charge	4,057	1,761
Historical cost profit on ordinary activities before taxation	7,386	13,888
	<hr/>	<hr/>
Historical cost profit on ordinary activities after taxation	4,290	470
	<hr/>	<hr/>

The notes on pages 11 to 22 form part of these financial statements

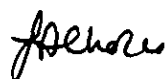
Balance sheet
 at 31 December 2012

Company number 2169077

		2012		2011
		£000	£000	£000
Fixed assets				
Tangible assets	9	121,917		126,975
Investments	10	100		100
		<u>122,017</u>		<u>127,075</u>
Current assets				
Stocks	11	28,888	28,907	
Debtors	12	43,090	35,358	
Cash at bank and in hand	13	11,836	24,196	
		<u>83,814</u>	<u>88,461</u>	
Creditors , amounts falling due within one year	14	(104,289)	(78,734)	
		<u></u>	<u></u>	
Net current (liabilities) / assets		(20,475)		9,727
		<u></u>		<u></u>
Total assets less current liabilities		101,542		136,802
Creditors : amounts falling due in more than one year	15	-		(35,000)
Accruals and deferred income	16	(4,242)		(4,735)
		<u></u>	<u></u>	<u></u>
		97,300		97,067
		<u></u>	<u></u>	<u></u>
Capital and reserves				
Called up share capital	17	1,359	1,359	
Share capital redemption reserve	18	1,217	1,217	
Revaluation reserve	18	60,373	64,430	
Other reserves	18	90	90	
Profit and loss account	18	34,261	29,971	
		<u></u>	<u></u>	<u></u>
Shareholder's funds	19	97,300		97,067
		<u></u>	<u></u>	<u></u>

The notes on pages 11 to 22 form part of these financial statements

These financial statements were approved by the board of directors and authorised for issue on and were signed on its behalf by

 19.08.2013

J Charles
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention, as modified by the revaluation of land, buildings and plant and machinery

Following the balance sheet date the entire issued ordinary share capital of the Company was purchased by Amber Real Estate Investments Limited. The Company's principal activity is now that of investment property. The directors of the Company have considered the current financial position of the Company and forecasted future trading performance based on known lease agreements. On this basis, the directors consider that the Company will have sufficient funds available to meet liabilities as they fall due for the foreseeable future and therefore consider that it remains appropriate to prepare the financial statements on a going concern basis.

The financial statements have been prepared for the 52 week trading period from 1 January 2012 to 29 December 2012. The comparative period is for the 52 week trading period ended 31 December 2011.

The company is exempt from the requirements of FRS 1 Cash Flow Statements to prepare a cash flow statement as at the balance sheet date it was a wholly owned subsidiary of a parent undertaking which has produced a cash flow statement.

At the balance sheet date the company was a wholly owned subsidiary of VION Holding NV. It has taken advantage of the exemption contained in FRS 8 Related Party Disclosures and has therefore not disclosed separately the transactions or balances with entities which form part of that group.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Group accounts

At the balance sheet date the company was an intermediate holding company. The company has exercised the exemption in S400(1) of the Companies Act 2006 and has not prepared group accounts.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax. Turnover is recognised when the risks and rewards of owning the goods have passed to the customer which is generally on delivery.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal annual instalments over their estimated useful economic lives as follows:

Freehold buildings	-	3.3%
Leasehold property	-	Over the period of the lease
Plant and machinery	-	5% to 20%
Motor vehicles	-	25%

No depreciation is provided on freehold land.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

The profit or loss on the disposal of a tangible fixed asset is accounted for in the profit and loss account of the period in which the disposal occurs as the difference between the net sale proceeds and the carrying amount, whether carried at historical cost (less any provisions made) or at a valuation.

FRS15 requires fixed assets which are carried at revalued amounts to be shown at their current value at the balance sheet date. To achieve this land and buildings and plant and machinery are subject to a full valuation every five years with an interim valuation carried out in the third year of this cycle.

The profit or loss on disposal of revalued fixed assets is calculated by reference to net book value and any realised revaluation surplus is transferred to the profit and loss account through reserves.

Government grants

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to operating profit over the estimated useful economic lives of the assets to which they relate.

Notes (continued)

1 Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains and losses are included in the profit and loss account.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The company participates in a defined contribution pension scheme. The assets of the scheme are held separately from the participating companies in independently administered funds. The amount charged to the profit and loss account represents contributions payable to the scheme in respect of the accounting period.

Employee Benefit Trust

The company has provided funds to the St Merryn Meat Employee Benefit Trust. In accordance with UITF 32 the company continues to recognise the funds held by the EBT as restricted cash. Income and expenditure of the trust are treated as being that of the company and accounted for under the company's normal accounting policies.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is defined as average invoice cost of production including attributable overheads. Net realisable value is taken as estimated sales proceeds less selling costs.

Taxation

The charge for taxation is based on the results for the period and takes into account deferred tax.

Deferred tax is recognised undiscounted in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date. The recognition of deferred tax assets is limited to the extent that the company anticipates recovery of the asset with reasonable certainty.

2 Turnover

Turnover represents the invoiced amount of goods sold and services provided stated net of value added tax. The turnover and result is attributable mainly to the processing and retail packaging of meat and meat wholesaling. An analysis of turnover by geographical market is as follows:

	2012 £000	2011 £000
United Kingdom	735,384	727,184
Rest of Europe	19,497	26,831
Rest of World	2	1,357
	<hr/>	<hr/>
	754,883	755,372
	<hr/>	<hr/>

Notes *(continued)*

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting)

	2012	2011
	£000	£000
Depreciation		
Owned	11,903	9,434
Grants released to profit and loss account	(493)	(530)
Gain on disposal of fixed assets	-	(51)
	<u>11,410</u>	<u>8,853</u>

Auditor's remuneration

 Audit of these financial statements

Rentals payable under operating leases

 Plant and machinery

 Other assets

	49	45
	964	1,004
	35	28
	<u> </u>	<u> </u>

4 Interest receivable and similar income

	2012	2011
	£000	£000
Other interest	-	4
	<u> </u>	<u> </u>

5 Interest payable and similar charges

	2012	2011
	£000	£000
Other interest	11	2
Interest on loans with group companies	810	827
Exchange rate loss	29	279
	<u>850</u>	<u>1,108</u>

Notes (continued)

6 Remuneration of directors

The aggregate emoluments of A M Christiaanse, S R W Francis, M A Steven and M Kusters were borne by VION Food Group Limited. The aggregate emoluments of L A M Vernaas were borne by VION Holding NV. The appropriate disclosure of their remuneration is disclosed in the accounts of those companies but it has not been practical to allocate their remuneration between their services as executives of this company and other group companies.

The aggregate emoluments of the remaining directors were jointly incurred by other operating group companies for their services as directors of this company and the other group operating companies. It has not been practical to allocate their remuneration between the services as directors of this company and of the other companies. Consequently their total remuneration across the UK division is disclosed below. The other companies for which these directors principally provided services for were VION Food Scotland Limited and VION Food UK Limited.

The aggregate emoluments of the remaining directors were

	2012 £000	2011 £000
Directors' emoluments	742	602
Company pension contributions to money purchase schemes	13	27
	<u>755</u>	<u>629</u>

The highest paid director received emoluments of £281,000 (2011 £301,000) and pension contributions of £Nil (2011 £14,000). There were four (2011 four) directors in the group's defined contribution pension scheme during the year.

7 Staff numbers and costs

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

	Number of employees	
	2012	2011
Production, sales & distribution	2,801	2,658
Management & administration	456	375
	<u>3,257</u>	<u>3,033</u>

The average number of persons is calculated using opening and closing numbers for that year.

The aggregate payroll costs of these persons were as follows:

	2012 £000	2011 £000
Wages and salaries	61,705	56,515
Social security costs	5,286	5,061
Pension costs	696	606
	<u>67,687</u>	<u>62,182</u>

Notes (continued)

8 Taxation

	2012		2011	
Analysis of charge in year	£000	£000	£000	£000
<i>Current tax</i>				
Adjustments in respect of previous years – group relief			-	
Group relief	4,256		14,622	
	<hr/>		<hr/>	
Total current tax		4,256		14,622
<i>Deferred tax</i>				
Analysed as follows				
Timing differences between accounting and tax treatment – current year	(1,449)		(1,407)	
Timing differences between accounting and tax treatment – prior year	(97)		(58)	
Effect of tax rate change on opening balance	386		261	
	<hr/>		<hr/>	
		(1,160)		(1,204)
		<hr/>		<hr/>
Tax charge on profit on ordinary activities		3,096		13,418
		<hr/>		<hr/>

Factors affecting current tax charge for the year

The tax assessed for the year is higher (2011 higher) than that obtained by applying the standard rate of corporation tax in the UK 24% (2011 26%) to the profit on ordinary activities before tax. The differences are explained below

	2012 £000	2011 £000
Profit on ordinary activities before taxation	3,329	12,127
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2011 26%)	799	3,153
<i>Effects of</i>		
Expenses not deductible for tax purposes	2,234	1,539
Income not taxable for tax purposes	(118)	(138)
Depreciation for the year higher than capital allowances	1,512	1,463
Industrial Buildings Allowances	-	(19)
Group relief paid at a rate (lower) / higher than the standard rate of corporation tax	(171)	8,624
	<hr/>	<hr/>
Current tax charge for year	4,256	14,622
	<hr/>	<hr/>

Notes *(continued)*

9 Tangible fixed assets

	Land and buildings	Plant, machinery and motor vehicles	Total
	£000	£000	£000
Cost or valuation			
At beginning of year	119,949	117,841	237,790
Additions	434	6,384	6,818
Disposals	-	(390)	(390)
Transfers with group companies	-	323	323
At end of year	120,383	124,158	244,541
Depreciation			
At beginning of year	24,275	86,540	110,815
Charge for year	5,177	6,726	11,903
Disposals	-	(379)	(379)
Transfers with group companies	-	285	285
At end of year	29,452	93,172	122,624
Net book value			
At 31 December 2012	90,931	30,986	121,917
At 31 December 2011	95,674	31,301	126,975

Included in land and buildings is £6,235,000 (2011, £6,235,000) of land which is not depreciated

The company's land and buildings are carried at fair value. The last full valuation was performed in 2008 by Arcadis and NB Real Estate, giving a valuation of £57,800,000 and a surplus of £24,872,000. In accordance with FRS 15 Tangible Fixed Assets, the company has performed an interim valuation as part of the five year valuation cycle. The interim valuation performed as at 31 December 2011 was performed by Rydens LLP, giving a valuation of £100,305,000 and a surplus of £32,561,000.

The company's plant and machinery are carried at fair value. The last full valuation was performed in 2008 by Arcadis and Hickman Shearer, giving a valuation of £11,890,000 and a surplus of £6,663,000. In accordance with FRS 15 Tangible Fixed Assets, the company has performed an interim valuation as part of the five year valuation cycle. The interim valuation performed as at 31 December 2011 was performed by Thainstone Specialist Auctions Limited, giving a valuation of £26,095,000 and a surplus of £6,352,000.

Valuations are based on existing use value and depreciated replacement cost for specialised property and plant. The surpluses have been credited to the revaluation reserve.

Motor vehicles are carried at historic cost.

As referred to in note 24, post balance sheet events, the nature of trade changed after the balance sheet date. The company is now an investment property company. The basis of valuation going forward has changed from depreciated replacement costs to open market value. This change in basis will be reflected in future years.

Notes (continued)

9 Tangible Fixed Assets (continued)

The historical cost of land and buildings and plant and machinery is

	2012		2011	
	Land and buildings	Plant, machinery and motor vehicles	Land and buildings	Plant, machinery and motor vehicles
	£000	£000	£000	£000
Cost	61,674	110,366	61,239	104,049
Accumulated depreciation based on historical cost	(21,702)	(88,794)	(19,258)	(83,486)
Historical cost net book value	39,972	21,572	41,981	20,563

10 Fixed assets investments

	Trading investment £000
Cost and Net Book Value	
At beginning of year	100
Entities dissolved/liquidated in year	-
At end of year	100

The principal investments of the company are as follows

	Country of registration or incorporation	Proportion of voting rights holding and shares held	Principal Activity
Subsidiary undertaking			
Tonova Processamento De Carnes Limitada	Portugal	Ordinary shares 100%	Non-trading
Trade investment			
Holmes Hall (Processors) Limited	England	Ordinary shares 20%	Processing of animal hide

During the prior year, three of the company's subsidiaries, Essex Retail Packers Limited, Corinth Meat Limited and North Devon Meat Limited, and its joint venture, Premier Lamb Company Limited were dissolved. The carrying amount of these subsidiaries prior to dissolution was £Nil. St Merryn Air was wound up during the prior year. As part of this process, a distribution of £90,000 was received. This was the return of capital, less retained losses, and was taken to other reserves as it was not distributable.

Notes (continued)

11 Stocks

	2012 £000	2011 £000
Raw materials and consumables	1,121	1,755
Finished goods and goods for resale	27,767	27,152
	<u>28,888</u>	<u>28,907</u>

There is no material difference between the replacement cost of stocks and the amounts stated above

12 Debtors

	2012 £000	2011 £000
<i>Amount due within one year</i>		
Trade debtors	12,455	6,995
Other debtors	5,452	3,252
Prepayments	1,029	1,744
Amounts owed by group undertakings	18,266	18,639
Deferred tax asset (see below)	5,888	4,728
	<u>43,090</u>	<u>35,358</u>

	Deferred Taxation £000
Asset at beginning of year	4,728
Credit to profit and loss account	1,160
Deferred tax asset at end of year	<u>5,888</u>

The elements of deferred taxation are as follows

	2012 £000	2011 £000
Differences between accumulated depreciation and amortisation and capital allowances	5,865	4,645
Other timing differences	23	83
	<u>5,888</u>	<u>4,728</u>

13 Cash at bank and in hand

Included within the total cash balance reported by the company is £63,000 (2011 £63,000) of funds held by the St Merryn Meat Employee Benefit Trust. These funds are not freely available for use by the company.

Notes *(continued)*

14 Creditors: amounts falling due within one year

	2012 £000	2011 £000
Trade creditors	36,430	39,144
Other tax and social security	1,659	1,723
Other creditors	2,778	2
Accruals and deferred income	9,136	9,616
Amounts owed to group undertakings	54,286	13,627
Group relief payable	-	14,622
	<u>104,289</u>	<u>78,734</u>

15 Creditors: amounts falling due after more than one year

	2012 £000	2011 £000
Amounts owed to group undertakings	-	35,000
	<u>-</u>	<u>35,000</u>

16 Accruals and deferred income

	2012 £000	2011 £000
<i>Capital grants</i>		
At beginning of year	4,735	5,066
Released to profit and loss account	(493)	(530)
Additions in year	-	199
	<u>4,242</u>	<u>4,735</u>
At end of year	4,242	4,735

17 Called up share capital

	2012 £000	2011 £000
<i>Authorised, allotted, called up and fully paid</i>		
1,359,419 Ordinary shares of £1 each	1,359	1,359
	<u>1,359</u>	<u>1,359</u>

Notes *(continued)*

18 Reserves

	Other Reserves	Revaluation reserve	Share capital redemption reserve	Profit and loss account
	£000	£000	£000	£000
At beginning of year	90	64,430	1,217	29,971
Profit for the year	-	-	-	233
Transfer	-	(4,057)	-	4,057
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	90	60,373	1,217	34,261
	<hr/>	<hr/>	<hr/>	<hr/>

19 Reconciliation of movements in shareholder's funds

	2012 £000	2011 £000
Profit / (loss) for the year	233	(1,291)
Revaluation of tangible fixed assets	-	38,913
Distribution from subsidiary	-	90
Opening shareholder's funds	97,067	59,355
	<hr/>	<hr/>
Closing shareholder's funds	97,300	97,067
	<hr/>	<hr/>

20 Commitments

(a) Capital commitments at the end of the financial year for which no provision has been made are as follows

	2012 £000	2011 £000
Contracted but not provided for	2,368	1,494
	<hr/>	<hr/>

(b) Annual commitments under non-cancellable operating leases are as follows

	Land and buildings		Other	
	2012 £000	2011 £000	2012 £000	2011 £000
<i>Operating leases which expire</i>				
Within one year	-	-	405	264
One to two years	-	-	539	342
Between two and five years	-	-	358	691
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	1,302	1,297
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

21 Contingent liabilities

At the balance sheet date the following contingent liabilities existed

Cash Pool Facilities

The company together with certain group companies utilised cash pool facilities provided by The Royal Bank of Scotland plc (RBS) and BNP Paribas (BNP). At the balance sheet date the extent of the guarantee offered by the company on these facilities amounted to £Nil (RBS) and £Nil (BNP) (2011 £21,788,000 (RBS) and £2,290,000 (BNP)).

Group Banking Facility

The company, along with other group companies, had granted an unlimited guarantee in respect of the group banking facilities amounting to €1,100 million (2011 €1,100 million).

Group Funding Facility

The company had granted security over certain trade debtors as part of a group wide securitisation facility that provided funding to the group. The funds advanced to the group in respect of the company's trade debtors amounted to £5,357,000 (2011 £5,088,000).

The company exited the cash pool facilities, group banking facility and group funding facility on 8 March 2013.

Subsequent to the year end, cross guarantees were provided over the remaining assets in the company as security to the group bankers of Amber Real Estate Investment Limited.

22 Immediate parent company

At the year end, the company's immediate parent company was VION Food Group Limited, a company registered in England and Wales. At the date of signing the financial statements the directors considered Amber Real Estate Investments Limited, a company registered in England and Wales, to be the immediate parent company.

23 Ultimate holding company

The directors considered VION Holding NV, registered in Holland, to be the ultimate holding company at the balance sheet date.

The largest group in which the results of the company are consolidated is that headed by VION Holding NV. No other group accounts include the results of the company. The consolidated accounts of this company are available to the public and may be obtained from the website at www.vionfood.com.

At the date of signing the financial statements the directors considered Amber Real Estate Investments Limited, a company registered in England and Wales, to be the ultimate parent company.

RS Boparan and BK Boparan are the ultimate controlling parties of Amber Real Estate Investments Limited.

24 Post balance sheet events

On 30 December 2012, following the year end, the company entered into an agreement to acquire the McIntosh Donald business operations and assets from VION Food Scotland Limited, a fellow group company at the time of the transaction. Effective responsibility for ongoing operations and management of this site transferred from the VION Food Scotland Limited on 30 December 2012. In addition the employees of this site transferred under TUPE arrangements from VION Food Scotland Limited.

On 14 February 2013 the company entered into an agreement to transfer the Welsh Country Foods business operations and assets to VION Food Scotland Limited, a fellow group company at the time of the transaction. Effective responsibility for ongoing operations and management of this site transferred to VION Food Scotland Limited on 14 February 2013. In addition the employees of this site transferred under TUPE arrangements to VION Food Scotland.

On 8 March 2013 the company entered into agreements to transfer the business operations and plant assets of all sites to VION Red Meat Limited and VION Poultry Limited, fellow group companies at the time of the transaction. The consideration receivable in respect of the transactions was £38,300,000. Effective responsibility for ongoing operations and management of these sites transferred to VION Red Meat Limited and VION Poultry Limited on 8 March 2013. In addition the employees of these sites transferred under TUPE arrangements to VION Red Meat.

Limited and VION Poultry Limited As a result of this transaction all operations have been classified as discontinued

On 8 March 2013 the shares of W&WE (Wales and West England) Limited were acquired by Amber Real Estate Investments Limited Following change in ownership, the activities of the company have changed from meat processing and packaging to investment property