

REGISTERED NUMBER: 03310507 (England and Wales)

**Strategic Report, Report of the Directors and
Audited Financial Statements for the Period 3 February 2013 to 1 February 2014
for
Frank Bird (Poultry) Limited**



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

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Frank Bird (Poultry) Limited
Company Information
for the Period 3 February 2013 to 1 February 2014

DIRECTORS:	Mr F Bird Mr M E Bird
SECRETARY:	Mr F Bird
REGISTERED OFFICE:	Underlyne Langwathby Penrith Cumbria CA10 1NB
REGISTERED NUMBER:	03310507 (England and Wales)
AUDITORS:	Waters & Atkinson Chartered Accountants and Statutory Auditors The Old Court House Clark Street Morecambe LA4 5HR
BANKERS:	Barclays Bank PLC Market Square Penrith Cumbria CA11 7YB
SOLICITORS:	Cartmell Shepherd Bishop Yards Penrith Cumbria CA11 7XS

Strategic Report
for the Period 3 February 2013 to 1 February 2014

The directors present their strategic report for the period 3 February 2013 to 1 February 2014.

REVIEW OF BUSINESS

As a poultry processor, the company continues to sell fresh and frozen poultry, primarily to a range of wholesaler customers within the UK.

The results for the period ended 1 February 2014 are set out on page 5. These show an increase in turnover but the gross profit has fallen slightly. The gross profit percentage has decreased from 18.2% to 16.2%, directly as a result of the cost of live birds increasing as a proportion of sales. This is due to the company not always being able to increase their sales prices in line with the cost of live birds.

PRINCIPAL RISKS AND UNCERTAINTIES

The poultry market is subject to sudden changes in market price caused by shortage or oversupply of birds, availability and price of foreign imports and customer demand and these are difficult to predict. As a result, the poultry market remains competitive and forward-planning remains challenging.

ON BEHALF OF THE BOARD:



Mr F Bird - Director

Date: 1/10/14

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

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

DIVIDENDS

Interim dividends per share were paid as follows:

10p	- 23 September 2013
10p	- 20 December 2013
<hr/>	
20p	
<hr/>	

The directors recommend that no final dividend be paid.

The total distribution of dividends for the period ended 1 February 2014 will be £2,000,000.

DIRECTORS

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

Mr F Bird
Mr M E Bird

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

ON BEHALF OF THE BOARD:


.....
Mr F Bird - Director

Date: 11/10/14

**Report of the Independent Auditors to the Members of
Frank Bird (Poultry) Limited**

We have audited the financial statements of Frank Bird (Poultry) Limited for the period ended 1 February 2014 on pages six to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 1 February 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

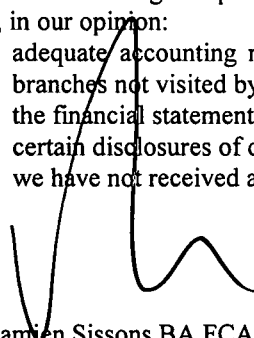
Opinion on other matter prescribed by the Companies Act 2006

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

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.



Damien Sissons BA FCA (Senior Statutory Auditor)
for and on behalf of Waters & Atkinson
Chartered Accountants and Statutory Auditors
The Old Court House
Clark Street
Morecambe
LA4 5HR

Date: 1 / 10 / 14

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

		Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
	Notes		
TURNOVER		67,302,439	64,840,416
Cost of sales		56,410,294	53,038,278
GROSS PROFIT		10,892,145	11,802,138
Administrative expenses		8,697,076	6,184,768
		2,195,069	5,617,370
Other operating income		258,581	275,420
OPERATING PROFIT	3	2,453,650	5,892,790
Interest receivable and similar income		67,809	73,830
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,521,459	5,966,620
Tax on profit on ordinary activities	4	674,426	1,513,595
PROFIT FOR THE FINANCIAL PERIOD		1,847,033	4,453,025

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

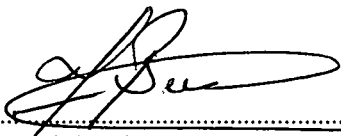
The company has no recognised gains or losses other than the profits for the current period or previous period.

Frank Bird (Poultry) Limited (Registered number: 03310507)

**Balance Sheet
1 February 2014**

	Notes	1.2.14 £	2.2.13 £
FIXED ASSETS			
Intangible assets	6	949,078	1,265,434
Tangible assets	7	1,990,275	1,950,182
		<u>2,939,353</u>	<u>3,215,616</u>
CURRENT ASSETS			
Stocks	8	115,328	145,418
Debtors	9	11,287,166	10,890,822
Cash at bank and in hand		7,791,929	7,513,586
		<u>19,194,423</u>	<u>18,549,826</u>
CREDITORS			
Amounts falling due within one year	10	7,535,019	7,034,891
NET CURRENT ASSETS		<u>11,659,404</u>	<u>11,514,935</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>14,598,757</u>	<u>14,730,551</u>
PROVISIONS FOR LIABILITIES	13	239,550	218,377
NET ASSETS		<u><u>14,359,207</u></u>	<u><u>14,512,174</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	10,000,000	10,000,000
Profit and loss account	15	4,359,207	4,512,174
SHAREHOLDERS' FUNDS	19	<u><u>14,359,207</u></u>	<u><u>14,512,174</u></u>

The financial statements were approved by the Board of Directors on 1/10/14 and were signed on its behalf by:


.....
Mr F Bird - Director

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Accounting convention

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

Turnover

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

Goodwill

Goodwill was created on the restructuring of the group in 1997 and is being written off evenly over its estimated useful life of 20 years.

Tangible fixed assets

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

Plant and machinery	- 10% on cost
Motor vehicles	- 25% on cost and 20% on cost
Helicopter	- 5% on cost

Stocks

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

Deferred tax

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

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

2. STAFF COSTS

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Wages and salaries	6,213,579	4,761,879
Social security costs	653,716	451,352
Other pension costs	100,000	-
	<u>6,967,295</u>	<u>5,213,231</u>

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

2. STAFF COSTS - continued

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

	Period 3.2.13 to 1.2.14	Period 29.1.12 to 2.2.13
Directors	2	2
Office and managerial	16	16
Production	187	184
	<u>205</u>	<u>202</u>

3. OPERATING PROFIT

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

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Hire of plant and machinery	36,278	37,834
Other operating leases	3,000	2,750
Depreciation - owned assets	405,899	374,298
Profit on disposal of fixed assets	(13,250)	(5,984)
Goodwill amortisation	316,356	316,356
Auditors' remuneration	14,000	14,000
Auditors' remuneration for non audit work	35,050	45,700
	<u>2,194,609</u>	<u>744,733</u>
Directors' remuneration	2,194,609	744,733
Directors' pension contributions to money purchase schemes	100,000	-
	<u>2,194,609</u>	<u>744,733</u>

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

Money purchase schemes	<u>2</u>	<u>2</u>
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Full analysis of auditors' remuneration for non audit work is given in the consolidated accounts for the F and N One group.

Information regarding the highest paid director is as follows:

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Emoluments etc	<u>2,144,464</u>	<u>650,161</u>

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

4. TAXATION

Analysis of the tax charge

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

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Current tax:		
UK corporation tax	653,253	1,558,272
Deferred tax:		
Origination and reversal of timing differences	21,173	(44,677)
Tax on profit on ordinary activities	<u>674,426</u>	<u>1,513,595</u>

Factors affecting the tax charge

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

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Profit on ordinary activities before tax	<u>2,521,459</u>	<u>5,966,620</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 24%)	579,936	1,431,989
Effects of:		
Expenses not deductible for tax purposes	9,983	5,375
Depreciation in excess of capital allowances	58,917	99,168
Part of profit charged at 24%	4,417	21,740
Current tax charge	<u>653,253</u>	<u>1,558,272</u>

Factors that may affect future tax charges

Based on current capital investment plans, the company expects depreciation to be in excess of capital allowances for the foreseeable future.

5. DIVIDENDS

	Period 3.2.13 to 1.2.14 £	Period 29.1.12 to 2.2.13 £
Ordinary shares of £1 each		
Interim	<u>2,000,000</u>	<u>4,000,000</u>

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

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 3 February 2013 and 1 February 2014	6,327,130
AMORTISATION	
At 3 February 2013	5,061,696
Amortisation for period	316,356
At 1 February 2014	5,378,052
NET BOOK VALUE	
At 1 February 2014	949,078
At 2 February 2013	1,265,434

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Helicopter £	Totals £
COST				
At 3 February 2013	5,543,353	1,791,222	635,646	7,970,221
Additions	223,260	260,481	-	483,741
Disposals	-	(188,738)	-	(188,738)
At 1 February 2014	5,766,613	1,862,965	635,646	8,265,224
DEPRECIATION				
At 3 February 2013	4,438,797	1,263,422	317,820	6,020,039
Charge for period	178,297	195,820	31,782	405,899
Eliminated on disposal	-	(150,989)	-	(150,989)
At 1 February 2014	4,617,094	1,308,253	349,602	6,274,949
NET BOOK VALUE				
At 1 February 2014	1,149,519	554,712	286,044	1,990,275
At 2 February 2013	1,104,556	527,800	317,826	1,950,182

8. STOCKS

	1.2.14 £	2.2.13 £
Finished goods	115,328	145,418

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

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1.2.14	2.2.13
	£	£
Trade debtors	6,873,947	6,072,154
Other debtors	349,198	666,000
Amounts owed from F and N Holdings Limited	1,790,838	1,782,121
Payments in advance	1,824,988	2,078,721
Directors' current accounts	210,734	-
VAT	107,837	169,305
Prepayments and accrued income	129,624	122,521
	<u>11,287,166</u>	<u>10,890,822</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1.2.14	2.2.13
	£	£
Bank loans and overdrafts (see note 11)	87,364	1,043,221
Trade creditors	4,091,591	3,241,015
Tax	459,136	732,272
Social security and other taxes	434,705	115,361
Other creditors	51,940	12,711
Amounts owed to Balingour Limited	2,190,533	1,653,407
Directors' current accounts	-	122,493
Accrued expenses	219,750	114,411
	<u>7,535,019</u>	<u>7,034,891</u>

11. LOANS

An analysis of the maturity of loans is given below:

	1.2.14	2.2.13
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>87,364</u>	<u>1,043,221</u>

The bank overdraft is a reconciled balance, after accounting for unpresented cheques. Funds are transferred from a deposit account as and when required so that there is no actual overdraft at any time.

12. OPERATING LEASE COMMITMENTS

The following operating lease payments, on an annual renewable lease, are committed to be paid within one year:

	Land and buildings	
	1.2.14	2.2.13
	£	£
Expiring:		
Within one year	<u>2,500</u>	<u>2,500</u>

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

13. PROVISIONS FOR LIABILITIES

	1.2.14 £	2.2.13 £
Deferred tax		
Accelerated capital allowances	<u>239,550</u>	<u>218,377</u>
		Deferred tax
		£
Balance at 3 February 2013		218,377
Provided during period		<u>21,173</u>
Balance at 1 February 2014		<u>239,550</u>

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

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	1.2.14 £	2.2.13 £
10,000,000	Ordinary		<u>10,000,000</u>	<u>10,000,000</u>

15. RESERVES

	Profit and loss account £
At 3 February 2013	4,512,174
Profit for the period	1,847,033
Dividends	<u>(2,000,000)</u>
At 1 February 2014	<u>4,359,207</u>

16. ULTIMATE PARENT COMPANY

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

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

17. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The director's current account shown in note 9 relates to Frank Bird. This account was overdrawn in the period to a maximum of £452,323 and interest was paid on this loan at the official rate. At the year end the overdrawn balance was £210,734.

Included in the company expenses is £350,000 paid to Paul Bird Motorsport Limited for sponsorship (2013 - £350,000). A further sum of £1,425,000 (2013 - £905,000) was loaned to Paul Bird Motorsport Limited in the period but has subsequently been written off as irrecoverable. A total of £14,197 (2013 - £31,909) relating to sundry expenses was recharged to Paul Bird Motorsport Limited during the period via the sales ledger account and at the period end, the balance on the account was £14,197 (2013 - Nil).

In 2013, the sum of £440,000 included in Frank Bird (Poultry) Limited's cash at bank was held by Barclays in a separate ring fenced account, as a form of security to a supplier for Paul Bird Motorsport Limited. This was released during the period but Barclays have retained a charge over the company's credit balances should future support be required. In addition, Barclays Bank hold a £700,000 guarantee from Frank Bird (Poultry) Limited against the Paul Bird Motorsport bank account.

Paul Bird, who is Frank Bird's son, is director and sole shareholder of Paul Bird Motorsport Limited and was a director of Frank Bird (Poultry) Limited until his resignation on 29th August 2012.

18. **RELATED PARTY DISCLOSURES**

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

All directors of this company were also directors of Balingour Limited in the period. Frank Bird is also a director of the immediate parent company F and N Holdings Limited and of the ultimate holding company F and N One Limited.

Included in other debtors are amounts owed to companies of which Mr F Bird is the controlling party, namely:
F and N Properties Limited £52 (2013 creditor balance £12,711)
F and N Two £1,573 (2013 nil)
F and N Three £1,573 (2013 nil)

These balances all arose as a result of payments made by Frank Bird (Poultry) Limited on behalf of the above or vice versa.

19. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1.2.14	2.2.13
	£	£
Profit for the financial period	1,847,033	4,453,025
Dividends	(2,000,000)	(4,000,000)
Net (reduction)/addition to shareholders' funds	(152,967)	453,025
Opening shareholders' funds	14,512,174	14,059,149
Closing shareholders' funds	14,359,207	14,512,174