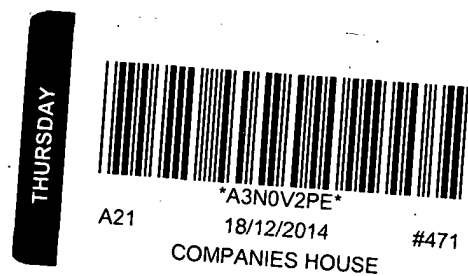


# Ian Mosey (Feed) Limited

## FINANCIAL STATEMENTS

for the year ended

31 August 2014



# Ian Mosey (Feed) Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

Mr B I Mosey  
Mrs B M Mosey  
Mrs R J Milne

### SECRETARY

Mrs B M Mosey

### REGISTERED OFFICE

Village Farm  
Gilling East  
York  
North Yorkshire  
YO62 4JH

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
2 Whitehall Quay  
Leeds  
West Yorkshire  
LS1 4HG

# Ian Mosey (Feed) Limited

## STRATEGIC REPORT

for the year ended 31 August 2014

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### REVIEW OF THE BUSINESS

The company's balance sheet as detailed on page 7 shows a satisfactory position with shareholders' funds amounting to £3,438,765.

Our financial key performance indicators are as follows:

	2014	2013
	£	£
Turnover	45,708,764	41,453,209
Gross profit	6,684,154	5,284,547
Operating profit	1,949,842	1,291,744

### FUTURE DEVELOPMENTS

The company will continue to consolidate its business interest and exploit opportunities as they arise.

### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

#### Price Risk

The company reviews current trends to manage its exposure to variation in market prices and uses forward contracts to forward buy stocks.

#### Credit Risk

The company mainly trades with long standing customers of the group, the nature of these relationships assist management in controlling its credit risk in addition to the normal credit management processes.

#### Liquidity

Management control and monitor the company's cash flow on a regular basis, including forecasting future cash flows.

By order of the board



M/B I Mosey  
Director

Date: 16 December 2014

# Ian Mosey (Feed) Limited

## DIRECTORS' REPORT

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The directors submit their report and financial statements of Ian Mosey (Feed) Limited for the year ended 31 August 2014.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of animal feed manufacturers and merchants.

### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,499,087. Particulars of dividends paid are detailed in note 9 to the financial statements.

### DIRECTORS

The directors who served the company during the year were as follows:

Mr B I Mosey  
Mrs B M Mosey  
Mrs R J Milne

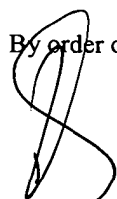
### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITOR

Baker Tilly UK Audit LLP are deemed to be re-appointed under Section 487(2) of the Companies act 2006.

By order of the board



Mr B I Mosey  
Director

Date: 16 December 2014

# Ian Mosey (Feed) Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Strategic Report and 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 period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. 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 IAN MOSEY (FEED) LIMITED

We have audited the financial statements on pages 6 to 15. 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 auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 4, 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](http://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 August 2014 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.

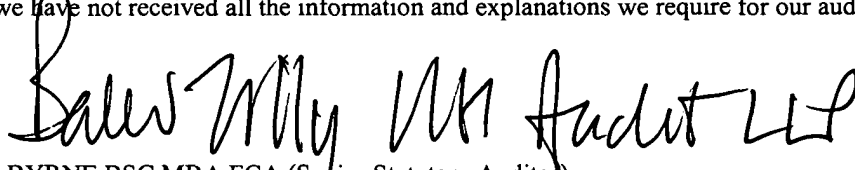
## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report 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.



PAUL BYRNE BSC MBA FCA (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
2 Whitehall Quay  
Leeds  
West Yorkshire  
LS1 4HG

Date: 17 December 2014

**Ian Mosey (Feed) Limited**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 August 2014

		2014	2013
	<i>Notes</i>	£	£
TURNOVER	2	45,708,764	41,453,209
Cost of sales		(39,024,610)	(36,168,662)
Gross profit		<u>6,684,154</u>	<u>5,284,547</u>
Administrative expenses		(4,767,043)	(4,018,106)
Other operating income	3	<u>32,731</u>	<u>25,303</u>
OPERATING PROFIT	4	1,949,842	1,291,744
Interest payable and similar charges	7	(33,327)	(62,886)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,916,515</u>	<u>1,228,858</u>
Taxation	8	(417,428)	(287,891)
PROFIT FOR THE FINANCIAL YEAR	19	<u><u>1,499,087</u></u>	<u><u>940,967</u></u>

The turnover and operating profit for the year arises from the company's continuing operations.

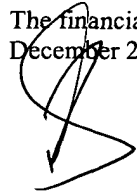
No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

**Ian Mosey (Feed) Limited****BALANCE SHEET**

31 August 2014

	Notes	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	10		174,599		181,861
<b>CURRENT ASSETS</b>					
Stocks	11	1,455,002		973,740	
Debtors	12	8,367,057		7,719,321	
		<u>9,822,059</u>		<u>8,693,061</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	(6,547,616)		(5,924,618)	
<b>NET CURRENT ASSETS</b>			<u>3,274,443</u>		<u>2,768,443</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,449,042</u>		<u>2,950,304</u>
<b>PROVISIONS FOR LIABILITIES</b>					
	14		(10,277)		(10,626)
			<u>3,438,765</u>		<u>2,939,678</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		100		100
Profit and loss account	19		<u>3,438,665</u>		<u>2,939,578</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>3,438,765</u>		<u>2,939,678</u>

The financial statements on pages 6 to 15 were approved by the board of directors and authorised for issue on 16 December 2014 and are signed on their behalf by:



Mr B I Mosey  
Director



# Ian Mosey (Feed) Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2014

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### 1 ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

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

#### GOING CONCERN

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the company's resources, the directors are confident that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

#### CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

#### TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax.

#### FIXED ASSETS

All fixed assets are initially recorded at cost.

#### DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 15% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 20% reducing balance

#### STOCKS

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

#### OPERATING LEASE AGREEMENTS

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.

#### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

# Ian Mosey (Feed) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2014

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#### 1 ACCOUNTING POLICIES *(continued)*

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

#### FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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.

At 31 August 2014 the company has entered into various forward contracts to fix the price of the purchase of certain raw materials. The total purchase commitment at 31 August 2014 was £4.9m (2013: £3.9m).

#### 2 TURNOVER

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

An analysis of turnover is given below:

	2014	2013
	£	£
United Kingdom	<u>45,708,764</u>	<u>41,453,209</u>

#### 3 OTHER OPERATING INCOME

	2014	2013
	£	£
Other operating income	<u>32,731</u>	<u>25,303</u>

#### 4 OPERATING PROFIT

Operating profit is stated after charging:

	2014	2013
	£	£
Depreciation of owned fixed assets	32,945	26,131
Loss on disposal of fixed assets	11,091	–
Auditor's remuneration for statutory audit	5,500	5,000
Operating lease costs:		
- Plant and equipment	<u>3,794</u>	<u>–</u>

# Ian Mosey (Feed) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2014

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#### 5 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year was:

	2014	2013
	No	No
Number of production staff	40	37
Number of management staff	1	1
	<u>41</u>	<u>38</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	1,048,020	985,361
Social security costs	101,357	99,369
	<u>1,149,377</u>	<u>1,084,730</u>

#### 6 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Remuneration receivable	<u>84,323</u>	<u>56,911</u>

#### 7 INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
On bank loans and overdrafts	33,143	62,491
On other loans	184	395
	<u>33,327</u>	<u>62,886</u>

**Ian Mosey (Feed) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2014

**8 TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2014 £	2013 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 22% (2013 - 23%)	417,777	287,990
Under provision in prior year	-	1,576
Total current tax	<u>417,777</u>	<u>289,566</u>
Deferred tax:		
Origination and reversal of timing differences (note 14)		
Capital allowances	(349)	(1,675)
Tax on profit on ordinary activities	<u>417,428</u>	<u>287,891</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 22% (2013 - 23%), as explained below

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>1,916,515</u>	<u>1,228,858</u>
Profit on ordinary activities by rate of tax	413,683	289,776
Effects of:		
Expenses not deductible for tax purposes	-	1,894
Depreciation in excess of capital allowances/Capital allowances for period in excess of depreciation	3,880	(3,679)
Adjustments to tax charge in respect of previous periods	-	1,575
Sundry tax adjusting items	214	-
Total current tax (note 8(a))	<u>417,777</u>	<u>289,566</u>

**Ian Mosey (Feed) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2014

**9 DIVIDENDS**

Equity dividends

	2014 £	2013 £
Dividends on equity shares £10,000 (2013: £nil) per share	<u>1,000,000</u>	<u>–</u>

**10 TANGIBLE FIXED ASSETS**

	Plant & Machinery £	Motor Vehicles £	Equipment £	Total £
Cost				
At 1 September 2013	211,574	4,000	21,006	236,580
Additions	4,483	2,500	29,792	36,775
Disposals	(18,233)	–	–	(18,233)
At 31 August 2014	<u>197,824</u>	<u>6,500</u>	<u>50,798</u>	<u>255,122</u>
Depreciation				
At 1 September 2013	53,133	333	1,253	54,719
Charge for the year	23,358	1,385	8,202	32,945
On disposals	(7,141)	–	–	(7,141)
At 31 August 2014	<u>69,350</u>	<u>1,718</u>	<u>9,455</u>	<u>80,523</u>
Net book value				
At 31 August 2014	<u>128,474</u>	<u>4,782</u>	<u>41,343</u>	<u>174,599</u>
At 31 August 2013	<u>158,441</u>	<u>3,667</u>	<u>19,753</u>	<u>181,861</u>

**11 STOCKS**

	2014 £	2013 £
Raw materials	1,268,125	846,206
Finished goods	186,877	127,534
	<u>1,455,002</u>	<u>973,740</u>

**12 DEBTORS**

	2014 £	2013 £
Trade debtors	3,131,783	2,481,912
Amounts owed by group undertakings	5,018,993	5,095,666
VAT recoverable	180,469	129,497
Other debtors	16,302	1,079
Prepayments and accrued income	19,510	11,167
	<u>8,367,057</u>	<u>7,719,321</u>

**Ian Mosey (Feed) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2014

**13 CREDITORS: Amounts falling due within one year**

	2014	2013
	£	£
Bank overdrafts	1,298,641	2,178,565
Trade creditors	4,387,982	3,431,464
Amounts owed to group undertakings	419,585	-
Amounts owed to related undertakings	496	95,484
Corporation tax	280,778	163,927
Other tax and social security	25,770	26,444
Accruals and deferred income	134,364	28,734
	<u>6,547,616</u>	<u>5,924,618</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2014	2013
	£	£
Bank overdrafts	<u>1,298,641</u>	<u>2,178,565</u>

The bank overdraft and similar finance is secured by way of a floating charge over the assets of the company and a specific charge against the debts to which it relates.

**14 PROVISIONS FOR LIABILITIES AND CHARGES**

	Deferred taxation
	£
Balance brought forward	10,626
Profit and Loss Account movement arising during the year	(349)
Balance carried forward	<u>10,277</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2014	2013
	£	£
Excess of taxation allowances over depreciation on fixed assets	10,277	10,626
	<u>10,277</u>	<u>10,626</u>

**15 COMMITMENTS UNDER OPERATING LEASES**

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets other than land and buildings
	2014
	£
Operating leases which expire:	
Within 2 to 5 years	<u>3,696</u>

# Ian Mosey (Feed) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2014

#### 16 CONTINGENCIES

The company has guaranteed liabilities of its parent company, Ian Mosey Limited, and fellow subsidiary, Ian Mosey (Livestock) Limited. The guarantees are in respect of bank borrowings which at the period end amounted to £335,573 (2013 - £598,734) in respect of Ian Mosey Limited and £464,749 (2013 - £946,880) in respect of Ian Mosey (Livestock) Limited. Bank borrowings are secured by way of a charge over the assets of the company.

#### 17 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under Financial Reporting Standard No. 8 Related Party Transactions not to disclose transactions with other group entities.

During the year, the company traded with the B I & B M Partnership ("the partnership"), a partnership that comprises the directors of Ian Mosey Limited, on an arms' length basis.

The total purchases and sales from the partnership during the year amounted to £15,601 (2013 - £812,922) and £39,493 (2013: £75,851) respectively. At the year end, the financial statements included an amount of £496 (2013: £95,484) due to the partnership.

#### 18 SHARE CAPITAL

	2014 £	2013 £
Allotted, called up and fully paid: 100 Ordinary shares of £1 each	100	100

#### 19 PROFIT AND LOSS ACCOUNT

	2014 £	2013 £
At the beginning of the year	2,939,578	1,998,611
Profit for the financial year	1,499,087	940,967
Dividends	(1,000,000)	—
At the end of the year	<u>3,438,665</u>	<u>2,939,578</u>

#### 20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit for the financial year	1,499,087	940,967
Dividends	(1,000,000)	—
Net addition to shareholders' funds	499,087	940,967
Opening shareholders' funds	2,939,678	1,998,711
Closing shareholders' funds	<u>3,438,765</u>	<u>2,939,678</u>

#### 21 CAPITAL COMMITMENTS

Amounts contracted for but not provided in the financial statements amounted to £53,400 in respect of the purchase of fixed assets (2013 - £Nil).

**Ian Mosey (Feed) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2014

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**22 ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary of Ian Mosey Limited, a company registered in England and Wales.

The ultimate controlling parties are the directors of Ian Mosey Limited.

The consolidated financial statements for Ian Mosey Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.