

BROWNS CHILLED DISTRIBUTION LIMITED

STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE PERIOD

30 DECEMBER 2012 TO 28 DECEMBER 2013

WEDNESDAY



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COMPANIES HOUSE

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FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013**

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BROWNS CHILLED DISTRIBUTION LIMITED

COMPANY INFORMATION

FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

| | |
|---------------------------|--|
| DIRECTORS: | P E Day Mrs W M Day |
| SECRETARY: | J G R Miller |
| REGISTERED OFFICE: | Fordham Road Newmarket Suffolk CB8 7NR |
| REGISTERED NUMBER: | 02934720 (England and Wales) |
| AUDITORS: | Duncan & Toplis Chartered Accountants and Statutory Auditors 5 Resolution Close Endeavour Park Boston Lincolnshire PE21 7TT |
| BANKERS: | Barclays Bank plc 10 Hall Place Spalding Lincolnshire PE11 1SR |

**STRATEGIC REPORT
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013**

The directors present their strategic report for the period 30 December 2012 to 28 December 2013.

REVIEW OF BUSINESS

The company's accounting reference date is 31 December and it has prepared results covering the accounting period to 28 December 2013.

The company was effectively acquired by Turners (Soham) Limited on 10 September 2012 when Turners (Soham) Limited acquired its parent company, Browns (Holdings) Limited.

During 2013 the Browns Chilled Distribution Limited ceased to be a wholly owned subsidiary undertaking of Browns (Holdings) Limited when Turners (Soham) Limited directly acquired the shares of the company.

Browns Chilled Distribution Limited, prior to it ceasing to trade, specialised in the chilled distribution and storage of fresh produce, flower and plant deliveries and ambient haulage.

On 31 August 2013 the trade of the company ceased and all of its fixed assets and stock were transferred to Turners (Soham) Limited at cost. It then became a non trading company.

The results for the company's are as shown in the annexed financial statements. The company has net assets totalling £6,902 (December 2012 - £4,302,785).

PRINCIPAL RISKS AND UNCERTAINTIES

The company is part of a group that is financially strong and the challenge is to continue to grow the business in the on-going difficult economic environment whilst maintaining tight controls on costs.

The directors consider that the principle risks and uncertainties are insignificant due to the current non trading status of the company and the support of other companies within the group structure.

ON BEHALF OF THE BOARD:



J G R Miller - Secretary

Date: 28 February 2014

**REPORT OF THE DIRECTORS
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013**

The directors present their report with the financial statements of the company for the period 30 December 2012 to 28 December 2013.

DIVIDENDS

The total distribution of dividends for the period ended 28 December 2013 was £4,200,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 30 December 2012 to the date of this report.

P E Day

Mrs W M Day

DIRECTORS INDEMNITY INSURANCE

During the year the company has made payments for directors indemnity insurance. These payments ceased to be made during the year under review.

DISABLED EMPLOYEES

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

EMPLOYEE INVOLVEMENT

Regular meetings are held between management and employees to allow a free flow of information and ideas.

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.

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

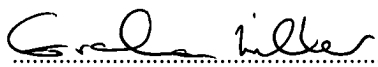
BROWNS CHILLED DISTRIBUTION LIMITED (REGISTERED NUMBER: 02934720)

**REPORT OF THE DIRECTORS
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013**

AUDITORS

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'J G R Miller', is written over a horizontal dotted line.

J G R Miller - Secretary

Date: 28 February 2014

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BROWNS CHILLED DISTRIBUTION LIMITED**

We have audited the financial statements of Browns Chilled Distribution Limited for the period ended 28 December 2013 on pages seven to nineteen. 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 28 December 2013 and of its loss 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BROWNS CHILLED DISTRIBUTION LIMITED**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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.



Adrian Reynolds BA FCA (Senior Statutory Auditor)

for and on behalf of Duncan & Toplis

Chartered Accountants

and Statutory Auditors

5 Resolution Close

Endeavour Park

Boston

Lincolnshire

PE21 7TT

Date: 28 February 2014

BROWNS CHILLED DISTRIBUTION LIMITED (REGISTERED NUMBER: 02934720)

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

| | Notes | PERIOD 30/12/12 TO 28/12/13 | | PERIOD 1/4/12 TO 29/12/12 | |
|--|-------|--------------------------------|-------------------|------------------------------|-------------------|
| | | £ | £ | £ | £ |
| TURNOVER | | | 22,998,481 | | 26,578,052 |
| Discontinued operations | | <u>22,998,481</u> | | <u>26,578,052</u> | |
| Cost of sales | 2 | | <u>19,641,527</u> | | <u>22,575,995</u> |
| GROSS PROFIT | 2 | | 3,356,954 | | 4,002,057 |
| Net operating expenses | 2 | | <u>3,173,025</u> | | <u>3,154,749</u> |
| OPERATING PROFIT | 4 | | 183,929 | | 847,308 |
| Discontinued operations | | <u>183,929</u> | | <u>847,308</u> | |
| Interest payable and similar charges | 5 | | <u>91,267</u> | | <u>92,086</u> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | | 92,662 | | 755,222 |
| Tax on profit on ordinary activities | 6 | | <u>188,545</u> | | <u>200,036</u> |
| (LOSS)/PROFIT FOR THE FINANCIAL PERIOD | | | <u>(95,883)</u> | | <u>555,186</u> |

TOTAL RECOGNISED GAINS AND LOSSES

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

The notes form part of these financial statements

BALANCE SHEET
28 DECEMBER 2013

| | | 2013 | | 2012 | |
|---|-------|---------|-------|-----------|-------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Intangible assets | 8 | | - | | 748,348 |
| Tangible assets | 9 | | - | | 5,059,102 |
| Investment property | 10 | | - | | 162,000 |
| | | | - | | 5,969,450 |
| CURRENT ASSETS | | | | | |
| Stocks | 11 | - | | 97,605 | |
| Debtors: amounts falling due within one year | 12 | 49,526 | | 5,725,424 | |
| Debtors: amounts falling due after more than one year | 12 | - | | 1,544,540 | |
| Cash at bank and in hand | | 166,845 | | 273,337 | |
| | | 216,371 | | 7,640,906 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 13 | 209,469 | | 5,185,056 | |
| NET CURRENT ASSETS | | | 6,902 | | 2,455,850 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 6,902 | | 8,425,300 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 14 | | - | | (4,051,376) |
| PROVISIONS FOR LIABILITIES | 18 | | - | | (71,139) |
| NET ASSETS | | | 6,902 | | 4,302,785 |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 19 | | 1,000 | | 1,000 |
| Profit and loss account | 20 | | 5,902 | | 4,301,785 |
| SHAREHOLDERS' FUNDS | 24 | | 6,902 | | 4,302,785 |

The financial statements were approved by the Board of Directors on 28 February 2014 and were signed on its behalf by:



Paul E Day - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

1. ACCOUNTING POLICIES

Accounting convention

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

Financial reporting standard 1

The company has not prepared a cash flow statement. Exemption has been claimed under Financial Reporting Standard 1 on the basis that the company is a subsidiary undertaking where 90% or more of the voting rights are controlled within the group and consolidated financial statements, which include the subsidiary undertaking, are publicly available.

Turnover

Turnover represents amounts charged to customers for haulage, cold storage and rental properties provided during the period, excluding value added tax. Sales are recognised upon delivery to customers or in relation to the period in which the service is performed.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2008, was previously being amortised evenly over the estimated useful life of twenty years.

Goodwill represented the difference between the cost of an acquisition over the fair value of the identifiable assets and liabilities acquired.

During the year the company ceased to trade and transferred all of its assets to its parent undertaking. The directors reviewed the estimated useful life of the goodwill and deemed that it was appropriate for the remaining goodwill to be fully written off due to the cessation of trade.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated life or, if held under a finance lease, over the lease term, whichever is shorter.

| | |
|---------------------|--|
| Freehold property | 1% to 4% on cost |
| Short leasehold | 20% on cost |
| Plant and machinery | 15% reducing balance to 50% on cost |
| Motor vehicles | 25% on reducing balance |
| Computer equipment | 15% on reducing balance to 50% on cost |

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Stocks

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

Deferred tax

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

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 FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

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

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

Financial reporting standard 8

The company has taken advantage of the exemption given in Financial Reporting Standard 8 relating to disclosure of related party transactions with entities that are part of the group. Financial Reporting Standard 8 does not require disclosure in the financial statements of entities wholly owned within the group.

Government grants

Governments grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful life of the assets concerned.

2. ANALYSIS OF OPERATIONS

| | Continuing £ | 2013 Discontinued £ | Total £ |
|-------------------------|-----------------|---------------------------|-------------------|
| Cost of sales | <u>-</u> | <u>19,641,527</u> | <u>19,641,527</u> |
| Gross profit | <u>-</u> | <u>3,356,954</u> | <u>3,356,954</u> |
| Net operating expenses: | | | |
| Administrative expenses | - | 3,189,811 | 3,189,811 |
| Other operating income | <u>-</u> | <u>(16,786)</u> | <u>(16,786)</u> |
| | <u>-</u> | <u>3,173,025</u> | <u>3,173,025</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

2. ANALYSIS OF OPERATIONS - continued

| | Continuing £ | 2012 Discontinued £ | Total £ |
|-------------------------|-----------------|---------------------------|-------------------|
| Cost of sales | <u>-</u> | <u>22,575,995</u> | <u>22,575,995</u> |
| Gross profit | <u>-</u> | <u>4,002,057</u> | <u>4,002,057</u> |
| Net operating expenses: | | | |
| Administrative expenses | - | 3,170,982 | 3,170,982 |
| Other operating income | <u>-</u> | <u>(16,233)</u> | <u>(16,233)</u> |
| | <u>-</u> | <u>3,154,749</u> | <u>3,154,749</u> |

3. STAFF COSTS

| | PERIOD 30/12/12 TO 28/12/13 £ | PERIOD 1/4/12 TO 29/12/12 £ |
|-----------------------|---|---|
| Wages and salaries | 5,357,499 | 6,429,931 |
| Social security costs | 539,144 | 647,331 |
| Other pension costs | <u>319</u> | <u>2,280</u> |
| | <u>5,896,962</u> | <u>7,079,542</u> |

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

| | PERIOD 30/12/12 TO 28/12/13 | PERIOD 1/4/12 TO 29/12/12 |
|-----------------------|--------------------------------------|------------------------------------|
| Drivers and warehouse | 228 | 239 |
| Administration | 79 | 81 |
| Directors | <u>2</u> | <u>3</u> |
| | <u>309</u> | <u>323</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

4. OPERATING PROFIT

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

| | PERIOD 30/12/12 TO 28/12/13 £ | PERIOD 1/4/12 TO 29/12/12 £ |
|--|---|---|
| Hire of plant and machinery | 103,187 | 99,449 |
| Depreciation - owned assets | 272,868 | 164,936 |
| Depreciation - assets on hire purchase contracts | 34,357 | 108,639 |
| Profit on disposal of fixed assets | (28,845) | (3,614) |
| Goodwill amortisation | 748,348 | 37,210 |
| Auditors' remuneration | 5,250 | 7,250 |
| Auditors' remuneration for non audit work | <u>7,195</u> | <u>11,050</u> |
| Directors' remuneration | <u>-</u> | <u>54,462</u> |

Directors' and auditors' remuneration for the group are disclosed in the consolidated financial statements.

5. INTEREST PAYABLE AND SIMILAR CHARGES

| | PERIOD 30/12/12 TO 28/12/13 £ | PERIOD 1/4/12 TO 29/12/12 £ |
|------------------------------|---|---|
| Bank interest | 5,210 | 142 |
| Bank loan interest | 72,395 | 38,819 |
| Invoice discounting interest | - | 38,246 |
| Interest on corporation tax | 2,000 | - |
| Hire purchase interest | <u>11,662</u> | <u>14,879</u> |
| | <u>91,267</u> | <u>92,086</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

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

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

| | PERIOD 30/12/12 TO 28/12/13 £ | PERIOD 1/4/12 TO 29/12/12 £ |
|--------------------------------------|---|---|
| Current tax: | | |
| UK corporation tax | 253,420 | 193,163 |
| Adjustment re previous years | <u>6,264</u> | <u>(56,821)</u> |
| Total current tax | 259,684 | 136,342 |
| Deferred tax | <u>(71,139)</u> | <u>63,694</u> |
| Tax on profit on ordinary activities | <u><u>188,545</u></u> | <u><u>200,036</u></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 30/12/12 TO 28/12/13 £ | PERIOD 1/4/12 TO 29/12/12 £ |
|---|---|---|
| Profit on ordinary activities before tax | <u><u>92,662</u></u> | <u><u>755,222</u></u> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.25% (2012 - 24%) | 21,544 | 181,253 |
| Effects of: | | |
| Adjustment in respect of capital allowances claimed and depreciation charged | 243,646 | 11,202 |
| Expenses disallowable for tax purposes | (8,617) | 708 |
| Group relief | (3,153) | - |
| Adjustment re previous years | <u>6,264</u> | <u>(56,821)</u> |
| Current tax charge | <u><u>259,684</u></u> | <u><u>136,342</u></u> |

7. DIVIDENDS

| | PERIOD 30/12/12 TO 28/12/13 £ | PERIOD 1/4/12 TO 29/12/12 £ |
|---------|---|---|
| Interim | <u><u>4,200,000</u></u> | <u><u>-</u></u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

8. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 30 December 2012
and 28 December 2013

934,397

AMORTISATION

At 30 December 2012
Amortisation for period

186,049
748,348

At 28 December 2013

934,397

NET BOOK VALUE

At 28 December 2013

-

At 29 December 2012

748,348

9. TANGIBLE FIXED ASSETS

Freehold
property
£

Short
leasehold
£

Plant and
machinery
£

COST

At 30 December 2012
Additions
Disposals

3,916,330
-
(3,916,330)

14,959
-
(14,959)

624,917
45,887
(670,804)

At 28 December 2013

-

-

-

DEPRECIATION

At 30 December 2012
Charge for period
Eliminated on disposal

362,005
57,749
(419,754)

14,959
-
(14,959)

236,498
46,552
(283,050)

At 28 December 2013

-

-

-

NET BOOK VALUE

At 28 December 2013

-

-

-

At 29 December 2012

3,554,325

-

388,419

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

9. TANGIBLE FIXED ASSETS - continued

| | Motor vehicles £ | Computer equipment £ | Totals £ |
|------------------------|------------------------|----------------------------|--------------------|
| COST | | | |
| At 30 December 2012 | 3,528,623 | 71,985 | 8,156,814 |
| Additions | 16,500 | 17,652 | 80,039 |
| Disposals | <u>(3,545,123)</u> | <u>(89,637)</u> | <u>(8,236,853)</u> |
| At 28 December 2013 | - | - | - |
| DEPRECIATION | | | |
| At 30 December 2012 | 2,437,892 | 46,358 | 3,097,712 |
| Charge for period | 191,421 | 11,503 | 307,225 |
| Eliminated on disposal | <u>(2,629,313)</u> | <u>(57,861)</u> | <u>(3,404,937)</u> |
| At 28 December 2013 | - | - | - |
| NET BOOK VALUE | | | |
| At 28 December 2013 | - | - | - |
| At 29 December 2012 | <u>1,090,731</u> | <u>25,627</u> | <u>5,059,102</u> |

On 7 September 2013, all remaining assets were transferred to Turners (Soham) Limited at their net book values.

The net book value of tangible fixed assets includes £nil (2012 - £870,785) in respect of assets held under hire purchase contracts.

10. INVESTMENT PROPERTY

| | Total £ |
|-----------------------|------------------|
| COST | |
| At 30 December 2012 | 162,000 |
| Disposals | <u>(162,000)</u> |
| At 28 December 2013 | - |
| NET BOOK VALUE | |
| At 28 December 2013 | - |
| At 29 December 2012 | <u>162,000</u> |

On 7 September 2013, the investment property was transferred to Turners (Soham) Limited at cost.

11. STOCKS

| | 2013 £ | 2012 £ |
|--------|-----------|---------------|
| Stocks | - | <u>97,605</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

12. DEBTORS

| | 2013 | 2012 |
|---|---------------|------------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 39,263 | 5,448,039 |
| Other debtors | 338 | 500 |
| VAT | 9,925 | - |
| Prepayments | - | 276,885 |
| | <u>49,526</u> | <u>5,725,424</u> |
| Amounts falling due after more than one year: | | |
| Amounts owed by group undertakings | - | 1,544,540 |
| | <u>-</u> | <u>1,544,540</u> |
| Aggregate amounts | <u>49,526</u> | <u>7,269,964</u> |

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2013 | 2012 |
|---|----------------|------------------|
| | £ | £ |
| Bank loans and overdrafts (see note 15) | - | 813,723 |
| Hire purchase contracts (see note 16) | - | 279,704 |
| Trade creditors | 19,914 | 2,309,899 |
| Amounts owed to group undertakings | 19,363 | 233,124 |
| Taxation | 153,420 | 238,505 |
| Other taxes and social security | - | 993,707 |
| Other creditors | - | 3,656 |
| Accruals and deferred income | 16,772 | 293,960 |
| Deferred government grants | - | 18,778 |
| | <u>209,469</u> | <u>5,185,056</u> |

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2013 | 2012 |
|---------------------------------------|----------|------------------|
| | £ | £ |
| Hire purchase contracts (see note 16) | - | 75,916 |
| Amounts owed to group undertakings | - | 3,500,000 |
| Other creditors | - | 52,000 |
| Deferred government grants | - | 423,460 |
| | <u>-</u> | <u>4,051,376</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013

15. LOANS

An analysis of the maturity of loans is given below:

| | 2013 £ | 2012 £ |
|---|-----------|----------------|
| Amounts falling due within one year or on demand: | | |
| Bank overdrafts | <u>-</u> | <u>813,723</u> |

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

| | Hire purchase contracts | |
|----------------------------|-------------------------|----------------|
| | 2013 £ | 2012 £ |
| Net obligations repayable: | | |
| Within one year | - | 279,704 |
| Between one and five years | <u>-</u> | <u>75,916</u> |
| | <u>-</u> | <u>355,620</u> |

The following operating lease payments are committed to be paid within one year:

| | Other operating leases | |
|----------------------------|------------------------|---------------|
| | 2013 £ | 2012 £ |
| Expiring: | | |
| Within one year | - | 5,300 |
| Between one and five years | <u>-</u> | <u>53,018</u> |
| | <u>-</u> | <u>58,318</u> |

17. SECURED DEBTS

The following secured debts are included within creditors:

| | 2013 £ | 2012 £ |
|-------------------------|-----------|------------------|
| Bank overdraft | - | 813,723 |
| Hire purchase contracts | <u>-</u> | <u>355,620</u> |
| | <u>-</u> | <u>1,169,343</u> |

Liabilities under hire purchase contracts are secured on the assets to which they relate.

Bank loans and overdrafts are repayable on demand and are secured by a composite guarantee held between Turners (Soham) Limited, Fruitex (Spalding) Limited, Browns (Holdings) Limited and Browns Chilled Distribution Limited, a fixed charge on the group's fixed assets, cash deposits and book debts and a floating charge on all other assets of the group. In addition a cross guarantee is in place.

BROWNS CHILLED DISTRIBUTION LIMITED (REGISTERED NUMBER: 02934720)

NOTES TO THE FINANCIAL STATEMENTS - continued
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18. PROVISIONS FOR LIABILITIES

| | 2013 £ | 2012 £ |
|-------------------------------------|-----------|-----------------|
| Deferred tax | | |
| Accelerated capital allowances | <u>-</u> | <u>71,139</u> |
| | | Deferred tax |
| | | £ |
| Balance at 30 December 2012 | | 71,139 |
| Transfer to profit and loss account | | <u>(71,139)</u> |
| Balance at 28 December 2013 | | <u>-</u> |

19. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | | 2013 | 2012 |
|----------------------------------|----------|-------------------|--------------|--------------|
| Number: | Class: | Nominal value: | £ | £ |
| 1,000 | Ordinary | £1 | <u>1,000</u> | <u>1,000</u> |

20. RESERVES

| | Profit and loss account £ |
|------------------------|------------------------------------|
| At 30 December 2012 | 4,301,785 |
| Deficit for the period | (95,883) |
| Dividends | <u>(4,200,000)</u> |
| At 28 December 2013 | <u>5,902</u> |

21. IMMEDIATE AND ULTIMATE PARENT COMPANIES

At the period end the company's immediate parent undertaking is Turners (Soham) Limited, a company incorporated in England and Wales.

The ultimate holding company is now Turners (Soham) Holdings Limited which owns 100% of Turners (Soham) Limited. Copies of the consolidated financial statements are available from Fordham Road, Newmarket, Suffolk, CB8 7NR.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE PERIOD 30 DECEMBER 2012 TO 28 DECEMBER 2013**

22. CONTINGENT LIABILITIES

At the period end there is a composite guarantee held between Turners (Soham) Limited, Fruitex (Spalding) Limited, Browns (Holdings) Limited and Browns Chilled Distribution Limited. The maximum group exposure at the period end equates to £8,000,000 (2012 - £14,000,000).

The group's bankers have issued a guarantee of £4,200,000 (2012 - £4,300,000) to the group's insurers to cover those third party motor and employer and public liability claims which are settled by the insurer but are the responsibility of the group. All known liabilities as at the balance sheet are included in the financial statements.

23. ULTIMATE CONTROLLING PARTY

The company is controlled by P Day by virtue of his shareholdings in the ultimate parent company.

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2013 | 2012 |
|--|---------------------|-------------------------|
| | £ | £ |
| (Loss)/profit for the financial period | (95,883) | 555,186 |
| Dividends | <u>(4,200,000)</u> | <u>-</u> |
| Net (reduction)/addition to shareholders' funds | (4,295,883) | 555,186 |
| Opening shareholders' funds | <u>4,302,785</u> | <u>3,747,599</u> |
| Closing shareholders' funds | <u>6,902</u> | <u>4,302,785</u> |