

LOHMANN GB LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Company Registration Number 04087186

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COMPANIES HOUSE

LOHMANN GB LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 30 JUNE 2015

The board of directors

D S Scott
D Wesjohann

Company secretary

J Adams

Business address

Suite 1B
Shire Business Park
Wainwright Road
Worcester
Worcestershire
WR4 9FA

Registered office

Suite 1B
Shire Business Park
Wainwright Road
Worcester
Worcestershire
WR4 9FA

Auditor

RSM UK Audit LLP
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

LOHMANN GB LIMITED
STRATEGIC REPORT
YEAR ENDED 30 JUNE 2015

The principal activity of the company during the year was that of production and marketing of poultry livestock.

Business review

The Company has continued to grow Lohmann day-old sales in the financial year 2014-15 both in the Lohmann Brown Classic and Lohmann Brown Lite. We have added further new build contract farms giving the Lohmann parent stock a very modern farm base with very high levels of biosecurity.

The other farming enterprises of the company continue to expand and gives a stable and diversified platform for future development.

As ever, the principal financial risks to the company are exchange rates, volatility of feed prices and labour costs. Physical risks include disease outbreaks, particularly any events of AI within the UK which can have a significant impact on export opportunities.

Future developments

The company will continue to investigate opportunities for development in areas which are relevant to the core activities.

Key performance indicators for the Company consist of chick quality, customer satisfaction.

Financial risk management objectives and policies

Price risk, credit risk, liquidity risk and cashflow risk

The business' activities expose it primarily to the financial risks of changes in foreign currency exchange rates, feed prices and market conditions.

The business' principal financial instruments comprise bank balances, bank loans, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cashflow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

LOHMANN GB LIMITED
STRATEGIC REPORT
YEAR ENDED 30 JUNE 2015

Loans comprise loans from financial institutions. The interest rates and monthly repayments are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

Signed on behalf of the directors



.....
D S Scott
Director

Approved by the directors on 26 October 2015.

LOHMANN GB LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2015

The directors present their report and the financial statements of the company for the year ended 30 June 2015.

Results and dividends

The profit for the year, after taxation, amounted to £1,273,308. 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:

D S Scott
D Wesjohann

Auditors

A resolution to reappoint Baker Tilly UK Audit LLP, whose name will change on 26 October 2015 to RSM UK Audit LLP, as auditor for the ensuing year will be proposed at the forthcoming annual general meeting.

Directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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; and
- 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.

LOHMANN GB LIMITED
DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 JUNE 2015

Directors' responsibilities *(continued)*

In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the directors



.....
D S Scott
Director

Approved by the directors on 26 October 2015.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOHMANN GB LIMITED

We have audited the financial statements of Lohmann GB Limited for the year ended 30 June 2015 on pages 8 to 22. 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 explained more fully in the Directors' Responsibilities Statement set out on pages 4 to 5, 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

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 30 June 2015 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 Strategic Report and 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
LOHMANN GB 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.



Stephen Newman, Senior Statutory Auditor
For and on behalf of

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

28 October 2015

LOHMANN GB LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2015

	Note	2015 £	2014 £
Turnover	2	13,820,819	13,579,885
Cost of sales		(11,078,711)	(10,865,930)
Gross profit		<u>2,742,108</u>	<u>2,713,955</u>
Administrative expenses		(1,139,614)	(1,196,651)
Other operating income	3	13,041	5,833
Operating profit	4	<u>1,615,535</u>	<u>1,523,137</u>
Interest receivable		2,093	1,689
Interest payable and similar charges	7	(5,848)	(8,956)
Profit on ordinary activities before taxation		<u>1,611,780</u>	<u>1,515,870</u>
Tax on profit on ordinary activities	8	(338,472)	(362,530)
Profit for the financial year		<u><u>1,273,308</u></u>	<u><u>1,153,340</u></u>

All of the activities of the company are classed as continuing.

The notes on pages 12 to 22 form part of these financial statements.

LOHMANN GB LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 30 JUNE 2015

	2015 £	2014 £
Profit for the financial year attributable to the shareholders	1,273,308	1,153,340
Unrealised profit on revaluation of certain fixed assets	-	-
Total gains and losses recognised since the last annual report	<u>1,273,308</u>	<u>1,153,340</u>

The notes on pages 12 to 22 form part of these financial statements.


LOHMANN GB LIMITED

Registered Number 04087186

BALANCE SHEET**30 JUNE 2015**

	Note	2015 £	£	2014 £	£
Fixed assets					
Investment	10a		90,000		-
Tangible assets	10b		2,164,738		1,985,246
Current assets					
Stocks	11	3,027,568		2,584,862	
Debtors	12	2,983,387		2,218,603	
Cash at bank		500,053		434,939	
		<u>6,511,008</u>		<u>5,238,404</u>	
Creditors: Amounts falling due within one year	13	<u>(3,085,615)</u>		<u>(2,156,729)</u>	
Net current assets			3,425,393		3,081,675
Total assets less current liabilities			<u>5,680,131</u>		<u>5,066,921</u>
Creditors: Amounts falling due after more than one year	14		(135,962)		(219,390)
Provisions for liabilities					
Deferred taxation	16		<u>(6,248)</u>		<u>(6,248)</u>
Net Assets			<u>5,537,921</u>		<u>4,841,283</u>
Capital and reserves					
Called-up share capital	19		1,207,000		1,207,000
Revaluation reserve	20		642,170		642,170
Profit and loss account	21		3,688,751		2,992,113
Shareholders' funds	22		<u>5,537,921</u>		<u>4,841,283</u>

These accounts were approved by the directors and authorised for issue on 26 October 2015, and are signed on their behalf by:



 D S Scott
 Director

The notes on pages 12 to 22 form part of these financial statements.

LOHMANN GB LIMITED
CASH FLOW STATEMENT
YEAR ENDED 30 JUNE 2015

		2015		2014	
	Note	£	£	£	£
Net cash inflow from operating activities	23.1		1,522,660		1,215,476
Returns on investments and Servicing of finance					
Interest received		2,093		1,689	
Interest paid		<u>(5,848)</u>		<u>(8,956)</u>	
Net cash outflow from returns on investments and servicing of finance			(3,755)		(7,267)
Taxation			(332,976)		(284,000)
Capital expenditure					
Payments to acquire tangible fixed assets		(373,009)		(143,022)	
Receipts from sale of fixed assets		401		2,425	
Investment		<u>(90,000)</u>		<u>-</u>	
Net cash outflow from capital expenditure			(462,608)		(140,597)
Equity dividends paid			(576,670)		(412,183)
Cash inflow before financing			<u>146,651</u>		<u>371,429</u>
Financing					
Repayment of bank loans		<u>(81,537)</u>		<u>(79,724)</u>	
Net cash outflow from financing			(81,537)		(79,724)
Increase in cash	23.3		<u>65,114</u>		<u>291,705</u>

The notes on pages 12 to 22 form part of these financial statements.

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

In the opinion of the directors the subsidiary company is not material from the point of view of providing a true and fair view of the results of Lohmann GB Limited. The company has therefore taken advantage of the exclusion provided by Section 405 (2) of the Companies Act 2006 not to prepare group accounts. The accounts for the year end 30 June 2015 show only the affairs of the company and not the group.

Turnover

Turnover represents the value, net of value added tax, of goods and services supplied to customers during the year. Turnover is recognised upon despatch of goods to the customer.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation with the exception of freehold land and buildings which are stated at valuation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Freehold land & buildings	- 2% - 10% straight line
Plant & machinery	- 20% reducing balance
Fixtures & fittings	- 20% straight line
Motor vehicles	- 25% straight line
Computer equipment	- 20% - 33% straight line

Freehold land is not depreciated.

Investments

Investments are stated at cost and reviewed annually for any impairment.

Stocks

Stock are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Operating lease agreements

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

Pension costs

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Deferred taxation

Deferred tax is recognised, without discounting, 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, except as required by FRS 19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

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:

	2015	2014
	£	£
United Kingdom	12,465,541	13,387,001
Europe	1,355,278	192,884
	<u>13,820,819</u>	<u>13,579,885</u>

3. Other operating income

	2015	2014
	£	£
Rent receivable	<u>13,041</u>	<u>5,833</u>

4. Operating profit

Operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Depreciation of owned fixed assets	193,517	198,255
Profit on disposal of fixed assets	(401)	(2,425)
Auditor's remuneration	8,500	7,500
Operating lease costs:		
-Land and buildings	25,192	25,160
-Other	3,897	3,499
Net profit on foreign currency translation	<u>(48,527)</u>	<u>(30,089)</u>

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

5. Particulars of employees

The average monthly number of staff employed by the company during the financial year amounted to:

	2015	2014
	No	No
Number of production staff	36	35
Number of administrative staff	36	35
	<u>72</u>	<u>70</u>

The aggregate payroll costs of the above were:

	2015	2014
	£	£
Wages and salaries	1,548,816	1,495,136
Social security costs	142,019	136,064
Other pension costs	55,135	49,956
	<u>1,745,970</u>	<u>1,681,156</u>

6. Directors' remuneration

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

	2015	2014
	£	£
Remuneration receivable	98,400	98,400
Value of company pension contributions to money purchase schemes	9,000	9,000
	<u>107,400</u>	<u>107,400</u>

The number of directors on whose behalf the company made pension contributions was as follows:

	2015	2014
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

7. Interest payable and similar charges

	2015	2014
	£	£
Interest payable on bank borrowing	-	1,294
Other similar charges payable	5,848	7,662
	<u>5,848</u>	<u>8,956</u>

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

8. Taxation on ordinary activities

(a) Analysis of charge in the year

	2015 £	2014 £
In respect of the year:		
UK Corporation tax	338,472	352,645
(Over)/under provision in prior year	-	137
	<u>338,472</u>	<u>352,782</u>
Deferred tax:		
Origination and reversal of timing differences	-	9,748
Tax on profit on ordinary activities	<u>338,472</u>	<u>362,530</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 20.75% (2014: 22.50%).

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>1,611,780</u>	<u>1,515,870</u>
Profit on ordinary activities at standard rate of tax	334,444	341,092
Effects of:		
Expenses not deductible for tax purposes	2,230	9,881
Capital allowances for period in excess of depreciation	(1,038)	(10,901)
Rounding on tax charge	-	136
Fixed asset timing differences	2,836	12,574
Total current tax (note 8(a))	<u>338,472</u>	<u>352,782</u>

9. Dividends

Equity dividends

	2015 £	2014 £
Paid during the year:		
Ordinary dividend paid	<u>576,670</u>	<u>412,183</u>

The dividend equates to 47.8p per share and is payable on Class A and Class B shares.

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

10a. Tangible fixed assets

	Freehold Land & Buildings £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Computer Equipment £	Total £
Cost or valuation						
At 1 Jul 2014	1,400,600	1,313,461	81,277	64,140	42,939	2,902,417
Additions	40,000	284,271	15,556	10,110	23,072	373,009
Disposals	-	-	-	(401)	-	(401)
At 30 Jun 2015	<u>1,440,600</u>	<u>1,597,732</u>	<u>96,833</u>	<u>73,849</u>	<u>66,011</u>	<u>3,275,025</u>
Depreciation						
At 1 Jul 2014	38,914	755,939	50,155	38,935	33,228	917,171
Charge for the year	40,246	125,529	7,560	6,641	13,541	193,517
On disposals	-	-	-	(401)	-	(401)
At 30 Jun 2015	<u>79,160</u>	<u>881,468</u>	<u>57,715</u>	<u>45,175</u>	<u>46,769</u>	<u>1,110,287</u>
Net book value						
At 30 Jun 2015	<u>1,361,440</u>	<u>716,264</u>	<u>39,118</u>	<u>28,674</u>	<u>19,242</u>	<u>2,164,738</u>
At 30 Jun 2014	<u>1,361,686</u>	<u>557,522</u>	<u>31,122</u>	<u>25,205</u>	<u>9,711</u>	<u>1,985,246</u>

All freehold land and buildings underwent a valuation for the year ended 30 June 2013.

10b. Investment

At 30 June 2015, the company owned 90% of the share capital of H&N (GB) Limited. This investment was acquired for a cost of £90,000 on incorporation of H&N (GB) Limited on 17th September 2014. The principal activity of this company is providing day old chicks. This company has not yet produced its first set of financial statements.

11. Stocks

	2015 £	2014 £
Raw materials	438,033	825,531
Work in progress	1,201,589	717,376
Finished goods	1,387,946	1,041,955
	<u>3,027,568</u>	<u>2,584,862</u>

12. Debtors

	2015 £	2014 £
Trade debtors	2,492,394	1,915,792
Amounts owed by group undertakings	63,537	107,499
Other debtors	100,893	84,523
Prepayments and accrued income	326,563	110,789
	<u>2,983,387</u>	<u>2,218,603</u>

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

13. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Bank loans	83,308	81,417
Trade creditors	1,265,269	838,878
Amounts owed to group undertakings	1,268,494	840,750
Corporation tax	203,280	197,782
PAYE and social security	32,551	35,539
Accruals and deferred income	232,713	162,363
	<u>3,085,615</u>	<u>2,156,729</u>

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

	2015	2014
	£	£
Bank loans	<u>83,308</u>	<u>81,417</u>

Bank borrowings are secured by first legal charges over freehold land and buildings.

14. Creditors: Amounts falling due after more than one year

	2015	2014
	£	£
Bank loans	<u>135,962</u>	<u>219,390</u>

Bank loans falling due after more than one year are repayable as follows:

	2015	2014
	£	£
1-2 Years	87,385	87,385
2-5 Years	48,577	132,005
	<u>135,962</u>	<u>219,390</u>

Bank borrowings are secured by first legal charges over freehold land and buildings.

15. Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £55,135 (2014: £49,956).

Contributions totalling £7,608 (2014: £6,607) were payable to the scheme at the end of the period and are included in creditors.

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

16. Deferred taxation

The deferred tax included in the Balance sheet is as follows:

	2015	2014
	£	£
Included in provisions	6,248	6,248
	<u>6,248</u>	<u>6,248</u>

The movement in the deferred taxation account during the year was:

	2015	2014
	£	£
At 1 Jul 2014	6,248	(3,500)
Profit and loss account movement arising during the year	-	9,748
At 30 Jun 2015	<u>6,248</u>	<u>6,248</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2015	2014
	£	£
Excess of taxation allowances over depreciation on fixed assets	6,248	6,248
	<u>6,248</u>	<u>6,248</u>

17. Commitments under operating leases

At 30 June 2015 the company had annual commitments under non-cancellable operating leases as set out below.

	2015		2014	
	Land and buildings	Other Items	Land and buildings	Other Items
	£	£	£	£
Operating leases which expire:				
Within 1 year	54,224	2,799	68,064	-
Within 2 to 5 years	170,604	33,603	152,954	25,285
	<u>224,828</u>	<u>36,402</u>	<u>221,018</u>	<u>25,285</u>

18. Related party transactions

Dividends paid to directors amounted to £259,501 (2014: £185,482).

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

18. Related party transactions (continued)

Related party transactions and year end balances with those companies can be summarised as follows:

Liabilities due to Group Undertakings

	2015 £	2014 £
Lohmann Tierzucht	348,848	302,084
Hyline UK	873,700	533,865
EW Group	47	4,800
EL Distribution	6,396	-
Ter Heerdt	832	-
Agromix	15,978	-
H&N GB	921	-
Gudendorf	1,409	-
Hy-Line France	19,923	-

Amounts due from Group Undertakings

	2015 £	2014 £
LSL Rhein Main	-	18,130
Gudendorf	-	29,461
Hyline UK	41,895	59,908
H&N GB	3,893	-
ALI SRL	19,158	-

Sales to Group Undertakings

	2015 £	2014 £
Agromix	-	22,464
Lohmann Italia	97,568	17,873
LSL Rhein Main	7,741	37,532
Lohmann France	20,687	86,262
KG Gundendorf	1,586	28,754
Hyline UK	281,309	412,689
Broederij	11,868	-
Aviagen	2,389	-
H&N GB	25,793	-

Purchases from Group Undertakings

	2015 £	2014 £
Lohmann Tierzucht	977,815	698,983
Hyline UK	2,572,698	2,473,227
Ter Heerdt	105,633	45,390
Hyline International	-	1,280
LSL Rhein	43,323	29,112
Lohmann France	-	40,231
EW Group	49	30,708
Gudendorf Ankum	123,199	-

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

19. Share capital

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary Class A shares of £1 each	663,850	663,850	663,850	663,850
Ordinary Class B shares of £1 each	543,150	543,150	543,150	543,150
	<u>1,207,000</u>	<u>1,207,000</u>	<u>1,207,000</u>	<u>1,207,000</u>

Ordinary Class A shares and Ordinary Class B shares rank pari passu in all respects.

20. Revaluation reserve

	2015	2014
	£	£
Balance brought forward	642,170	642,170
Revaluation of fixed assets	—	—
Balance carried forward	<u>642,170</u>	<u>642,170</u>

21. Profit and loss account

	2015	2014
	£	£
Balance brought forward	2,992,113	2,250,956
Profit for the financial year	1,273,308	1,153,340
Equity dividends	(576,670)	(412,183)
Balance carried forward	<u>3,688,751</u>	<u>2,992,113</u>

22. Reconciliation of movements in shareholders' funds

	2015	2014
	£	£
Profit for the financial year	1,273,308	1,153,340
Equity dividends	(576,670)	(412,183)
Net addition to shareholders' funds	<u>696,638</u>	<u>741,157</u>
Opening shareholders' funds	<u>4,841,283</u>	<u>4,100,126</u>
Closing shareholders' funds	<u>5,537,921</u>	<u>4,841,283</u>

LOHMANN GB LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2015

23. Notes to the cash flow statement

1 Reconciliation of operating profit to net cash inflow from operating activities

	2015 £	2014 £
Operating profit	1,615,535	1,523,137
Depreciation	193,517	198,255
Profit on disposal of fixed assets	(401)	(2,425)
(Increase)/ Decrease in stocks	(442,706)	83,561
(Increase)/ Decrease in debtors	(764,781)	64,858
Increase/ (Decrease) in creditors	921,496	(651,910)
Net cash inflow from operating activities	<u>1,522,660</u>	<u>1,215,476</u>

2 Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
Increase in cash in the period	65,114	291,705
Net cash outflow from bank loans	<u>81,537</u>	<u>79,724</u>
Change in net funds	146,651	371,429
Net funds at 1 July 2014	134,132	(237,297)
Net funds at 30 June 2015	<u>280,783</u>	<u>134,132</u>

3 Analysis of changes in net funds

	At 1 July 2014 £	Cash flows £	At 30 June 2015 £
Net cash:			
Cash in hand and at bank	434,939	65,114	500,053
Debt:			
Debt due within 1 year	(81,417)	(1,891)	(83,308)
Debt due after 1 year	(219,390)	83,428	(135,962)
	<u>(300,807)</u>	<u>81,537</u>	<u>(219,270)</u>
Net funds	<u>134,132</u>	<u>146,651</u>	<u>280,783</u>

24. Ultimate parent company

The immediate parent undertaking is European Layer Distribution GmbH, a company registered in Germany. The ultimate parent undertaking is EW Group GmbH, a company registered in Germany. Group accounts are prepared by EW Group GmbH and copies can be obtained from Hogenbogen 1, 49429 Visbek, Germany.

The ultimate controlling entity is EW Group GmbH, a company registered in Germany.