

# Fayrefield Ingredients Limited

Annual Report and Financial Statements

For the year ended 31 December 2015

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Company Registration No. 06704337

# Fayrefield Ingredients Limited

## ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2015

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# Fayrefield Ingredients Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### **Directors**

T M Robinson  
S Davenport  
N A Hilton

### **Company secretary**

P A Austin

### **Registered office**

Englesea House  
Barthomley Road  
Crewe  
Cheshire  
CW1 5UF  
United Kingdom

### **Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
2 Hardman Street  
Manchester  
M3 3HF  
United Kingdom

### **Bankers**

National Westminster Bank plc  
22 Castle Street  
Liverpool  
L2 0UP  
United Kingdom

# Fayrefield Ingredients Limited

## DIRECTORS' REPORT

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The directors present their annual report on the affairs of Fayrefield Ingredients Limited ('the Company'), together with the financial statements and auditor's report, for the year ended 31 December 2015. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. On this basis, the exemption from preparing a strategic report has been taken.

### Principal activities

The principal activity of the Company is that of trading in food ingredients.

### Results and dividends

The profit for the year, after taxation, amounted to £396,388 (2014: £377,536). An interim dividend of £100,000 was declared and paid (2014: £100,000). The directors do not propose a final dividend (2014: same).

### Directors

The directors who served the Company during the year and thereafter were as follows:

S J Beech (retired 6 April 2016)  
T M Robinson  
S Davenport  
N A Hilton

### Going concern

As described in note 1 to the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### Statement as to disclosure of information to auditor

The directors who were in office at the date of approval of this report have confirmed, as far as they are aware, that there is no relevant audit information of which the Company's 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 the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

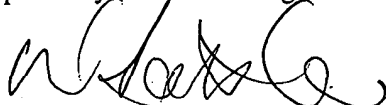
### Auditor

Deloitte LLP have been deemed re-appointed under section 487 of the 2006 Act.

### Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage of the disclosure exemption in FRS 102 paragraph 1.12. The Company's shareholders have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received. The Company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the Company by Fayrefield Foods Limited, as the immediate parent of the entity, or by shareholders holding in aggregate 5 per cent or more of the total allocated shares in the Company or more than half of the allotted shares in the entity not held by Fayrefield Foods Limited as the immediate parent.

Approved by the Board and signed on its behalf by:



T M Robinson

Director

30 September 2016

# Fayrefield Ingredients Limited

## DIRECTORS' RESPONSIBILITIES STATEMENT

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The directors are responsible for preparing the annual 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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; 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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAYREFIELD INGREDIENTS LIMITED

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We have audited the financial statements of Fayrefield Ingredients Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 17. 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), including FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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, 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 annual report 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 31 December 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.

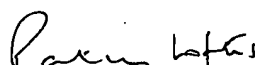
## **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the 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; or
- the directors were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report or from the requirement to prepare a Strategic Report.



**Patrick Loftus (Senior Statutory Auditor)**  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester, United Kingdom  
30 September 2016

# Fayrefield Ingredients Limited

## PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2015

	<i>Notes</i>	<b>2015</b> <b>£</b>	<b>2014</b> <b>£</b>
<b>Turnover</b>	<b>3</b>	<b>603,066</b>	<b>663,285</b>
<b>Gross profit</b>		<b>603,066</b>	<b>663,285</b>
<b>Administrative expenses</b>		<b>(176,322)</b>	<b>(184,500)</b>
<b>Operating profit</b>		<b>426,744</b>	<b>478,785</b>
<b>Finance income</b>	<b>6</b>	<b>60,000</b>	<b>2,394</b>
<b>Profit on ordinary activities before taxation</b>	<b>4</b>	<b>486,744</b>	<b>481,179</b>
<b>Taxation on ordinary activities</b>	<b>7</b>	<b>(90,356)</b>	<b>(103,643)</b>
<b>Profit for the financial year</b>		<b>396,388</b>	<b>377,536</b>

All activities arise from the Company's continuing operations.

No separate Statement of Other Comprehensive Income has been presented as all such income and expenses have been dealt with in the Profit and Loss Account.

# Fayrefield Ingredients Limited

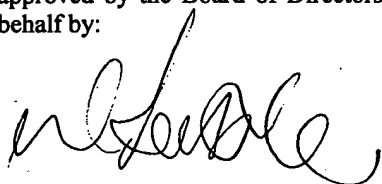
## BALANCE SHEET

As at 31 December 2015

	Notes	2015 £	2014 £
<b>Non-current assets</b>			
Tangible fixed assets	9	-	282
		<u>-</u>	<u>282</u>
<b>Current assets</b>			
Debtor amounts falling due after more than one year	10	1,200,000	1,200,000
Debtor amounts falling due within one year	11	242,553	110,630
Cash at bank and in hand		291,848	143,589
		<u>1,734,401</u>	<u>1,454,219</u>
<b>Creditors</b>			
Amounts falling due within one year	12	(143,006)	(159,494)
		<u>1,591,395</u>	<u>1,294,725</u>
<b>Net current assets</b>			
		<u>1,591,395</u>	<u>1,294,725</u>
<b>Total assets less current liabilities</b>		<u>1,591,395</u>	<u>1,295,007</u>
<b>Net assets</b>		<u>1,591,395</u>	<u>1,295,007</u>
<b>Capital and reserves</b>			
Called-up share capital	14	10,000	10,000
Profit and loss account		1,581,395	1,285,007
		<u>1,591,395</u>	<u>1,295,007</u>
<b>Shareholders' funds</b>		<u>1,591,395</u>	<u>1,295,007</u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements of Fayrefield Ingredients Limited (registered number: 06704337) on pages 5 to 15 were approved by the Board of Directors and authorised for issue on 30 September 2016 and are signed on their behalf by:



T M Robinson  
Director

30 September 2016



# Fayrefield Ingredients Limited

## STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

		<b>Called - up share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<i>Notes</i>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 31 December 2013</b>		<b>10,000</b>	<b>1,007,471</b>	<b>1,017,471</b>
Effect of transition to FRS 102 (see note 17)		-	-	-
<b>Balance at 1 January 2014</b>		<b>10,000</b>	<b>1,007,471</b>	<b>1,017,471</b>
Profit and total comprehensive income for the year		-	377,536	377,536
Dividends paid	8	-	(100,000)	(100,000)
<b>Balance at 31 December 2014</b>		<b>10,000</b>	<b>1,285,007</b>	<b>1,295,007</b>
Profit and total comprehensive income for the year		-	396,388	396,388
Dividends paid	8	-	(100,000)	(100,000)
<b>Balance at 31 December 2015</b>		<b>10,000</b>	<b>1,581,395</b>	<b>1,591,395</b>

# Fayrefield Ingredients Limited

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2015

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### 1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

#### General information and basis of accounting

Fayrefield Ingredients Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act.

The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The principal activities of the Company is set out in the directors' report on page 2.

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its ultimate parent, The Fayrefield Group Limited which may be obtained at Englesea House, Barthomley Road, Crewe, Cheshire, United Kingdom, CW1 5UF. Exemptions have been taken in these separate company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

#### Going concern

The Company meets its day to day working capital requirements through existing cash resources (cash in hand at 31 December 2015 totalled £291,848) and although levels of demand for the Company's products and the costs of raw materials are difficult to predict and are therefore inherently uncertain, the directors expect to be able to operate within the level of its current resources, given forecast sales, expected expenditure and resources available. Consequently, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Turnover

Turnover relates to commissions receivable for the sale of goods and is recognised at the point of sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax.

#### Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures, fittings & equipment - 33% straight line

#### Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

# Fayrefield Ingredients Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2015

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### 1 Accounting policies *(continued)*

#### Taxation *(continued)*

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. Deferred tax is measured at the average tax rates that are expected to apply, in the periods in which the 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.

#### Pensions

Fayrefield Foods Limited, the Company's immediate parent operates a defined contribution scheme providing benefits additional to those from the state. In addition, Fayrefield Foods Limited makes payments to certain employees' money purchase pension plans.

#### Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

##### (i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Non-current debt instruments which meet the following conditions, are subsequently measured at amortised cost using the effective interest method:

##### (a) Returns to the holder are

- (i) a fixed amount; or
- (ii) a fixed rate of return over the life of the instrument; or
- (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or
- (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.

(b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.

(d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

# Fayrefield Ingredients Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2015

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### 1 Accounting policies *(continued)*

#### Financial instruments *(continued)*

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. Other debt instruments not meeting these conditions are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment. Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### (ii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique.

#### (iii) Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

#### Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

#### Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

# Fayrefield Ingredients Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2015

### 2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors have considered and concluded that there are no key sources of estimation uncertainty impacting the business.

### 3 Turnover

The Company's turnover is all derived from the principal activity of the Company and arises solely in the United Kingdom.

### 4 Profit on ordinary activities before taxation

Operating profit is stated after charging:

	2015	2014
	£	£
Depreciation of owned fixed assets	282	327
Amounts paid under operating leases – land and buildings	12,566	12,828
Auditor's remuneration		
- audit of the financial statements	<u>3,000</u>	<u>3,000</u>

No amounts were paid to the auditor in respect of non-audit services (2014: same).

### 5 Particulars of employees

Other than the directors, there were no employees of the Company throughout the year. The remuneration of the directors was paid by Fayrefield Foods Limited, the Company's immediate parent. The amounts recharged to the Company by its immediate parent in respect of the time spent by directors on the Company were:

	2015	2014
	£	£
Emoluments	128,875	134,000
Employers NI	16,670	17,402
Pensions	7,400	7,400
	<u>152,945</u>	<u>158,802</u>

One director was a member of a money purchase pension scheme (2014: same).

The pension cost charge represents contributions recharged by the parent company in respect of the year, under the rules of the scheme. The pension charge for the year was £7,400 (2014: £7,400) and there were no amounts outstanding at 31 December 2015 (2014: £nil).

# Fayrefield Ingredients Limited

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2015

### 6 Finance income

	2015 £	2014 £
Bank interest receivable	-	1,079
Interest received from group undertakings	60,000	1,315
	<u>60,000</u>	<u>2,394</u>

### 7 Taxation on ordinary activities

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

	2015 £	2014 £
Current tax:		
UK corporation tax	<u>90,356</u>	<u>103,643</u>

#### (b) Factors affecting total tax charge

The tax assessed on the profit on ordinary activities for the year is lower than (2014: higher than) the standard rate of corporation tax in the UK of 20.25 % (2014: 21.50%), as explained below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>486,744</u>	<u>481,179</u>
Tax on profit on ordinary activities at the standard UK corporation tax rate of 20.25% (2014: 21.50%)	98,566	103,453
Adjustments in respect of prior years	361	-
Expenses not deductible for tax purposes	143	168
Other tax adjustments	(17)	-
Capital allowances for the year less than depreciation	20	22
Group relief claimed	<u>(8,717)</u>	<u>-</u>
<b>Total tax (note 7 a)</b>	<u>90,356</u>	<u>103,643</u>

The main rate of UK corporation tax reduced from 21% to 20% from 1 April 2015. Further reductions in the rate have been announced. The changes, which have yet to be enacted, propose to reduce the rate by 1% to 19% from 1 April 2017 and by a further 2% to 17% by 1 April 2020. The changes have not been substantively enacted at the balance sheet date and therefore are not recognised in these financial statements.

### 8 Dividends

	2015 £	2014 £
Interim dividend for the year ended 31 December 2015 of £10.00 (2014: £10.00) per ordinary share	<u>100,000</u>	<u>100,000</u>

The directors have not proposed or declared a final dividend.

# Fayrefield Ingredients Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2015

### 9 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 January 2015	2,787
At 31 December 2015	<u>2,787</u>
<b>Depreciation</b>	
At 1 January 2015	2,505
Charge for the year	282
At 31 December 2015	<u>2,787</u>
<b>Net book value</b>	
At 31 December 2015	-
At 31 December 2014	<u>282</u>

### 10 Debtors: Amounts falling due after more than one year

	2015 £	2014 £
Amounts owed by group undertakings	<u>1,200,000</u>	<u>1,200,000</u>

The Company previously advanced an unsecured 5 year loan of £1,200,000 to its immediate parent company Fayrefield Foods Limited at a commercial rate of 5%. The termination date of the loan is 31 December 2019.

### 11 Debtors: Amounts falling due within one year

	2015 £	2014 £
Amounts owed by group undertakings	236,925	105,054
Prepayments and accrued income	5,628	5,576
	<u>242,553</u>	<u>110,630</u>

### 12 Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	1,496	1,907
Accruals	4,341	4,226
Amounts owed to group undertakings	65,919	81,791
Corporation tax	49,212	50,389
VAT payable	22,038	21,181
	<u>143,006</u>	<u>159,494</u>

# Fayrefield Ingredients Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2015

### 13 Related party transactions

#### Control

The Company is an 80% subsidiary of Fayrefield Foods Limited, a company incorporated in England and Wales.

During the year the Company entered into sales and purchases with its associated companies and companies controlled by The Fayrefield Group Limited. Purchases include amounts paid by the Company for the provision of employees (see note 5). The transactions together with the year end balances are listed below:

#### Transactions

	Sales		Purchases	
	2015	2014	2015	2014
	£	£	£	£
Fayrefield Foods Limited	<u>603,066</u>	<u>663,285</u>	<u>157,413</u>	<u>163,639</u>

#### Year end balances

	Debtors		Creditors	
	2015	2014	2015	2014
	£	£	£	£
Fayrefield Foods Limited	<u>1,436,925</u>	<u>1,305,054</u>	<u>65,919</u>	<u>81,791</u>

### 14 Called-up share capital

	2015	2014
	£	£
Allotted, called-up and fully paid: 10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

The Company has one class of ordinary shares which carry no right to fixed income. The profit and loss reserve represents cumulative profits net of dividends paid.

### 15 Financial commitments

There were no capital commitments at 31 December 2015 (2014: same)

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2015	2014
	£	£
Within one year	-	10,824
Between one and five years	<u>17,482</u>	-
	<u>17,482</u>	<u>10,824</u>



# Fayrefield Ingredients Limited

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

For the year ended 31 December 2015

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### **16 Ultimate parent company**

The ultimate parent and controlling undertaking is The Fayrefield Group Limited, a company incorporated in England and Wales, which is under the control of Mr J D Kerr, the chairman, who is personally interested in 100% of the group's issued share capital.

The Fayrefield Group Limited is the ultimate parent company of the only group of which the Company is a member and for which group financial statements are drawn up. Copies of the financial statements of the ultimate parent company can be obtained from Englesea House, Barthomley Road, Crewe, Cheshire, CW1 5UF.

### **17 Explanation of transition to FRS 102**

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 December 2013 and the date of transition to FRS 102 was therefore 1 January 2014. As a consequence of adopting FRS 102, no accounting policies have changed to comply with that standard.