COMPANY REGISTRATION NUMBER: 00917409

Sykes House Farm Limited

Abbreviated Financial Statements

30 June 2016

LITHGOW PERKINS LLP
Chartered accountant
Crown Chambers
Princes Street
Harrogate

Sykes House Farm Limited

Abbreviated Financial Statements

Year ended 30 June 2016

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Sykes House Farm Limited

Officers and Professional Advisers

The board of directors	M P Smith R C Smith R L Hirst
Company secretary	M J Smith
Registered office	Crown Chambers Princes Street Harrogate
Accountants	Lithgow Perkins LLP Chartered accountant Crown Chambers Princes Street Harrogate
Bankers	Yorkshire Bank PLC 10 Austhorpe Road Leeds
	Bank of Scotland PLC 4th Floor, Lisbon House 116 Wellington Street Leeds

Sykes House Farm Limited

Strategic Report

Year ended 30 June 2016

The Directors present their strategic report and financial statements for the year ended 30 June 2016.

The company is principally engaged as catering butchers.

We aim to present a balanced review of the development and performance of the business during the year, and its position at the year end. Our review is consistent with the size and non-complex nature of the business and is written in the context of the risks and uncertainties we face.

The profit for the year, after taxation, is £624,966 (2015 restated at £675,535 was originally stated at £664,880). Total ordinary dividends of £500,000 (2015 £568,200) were paid during the year. Shareholders' funds increased by £124,966 due to retained earnings. We feel that the results for the year and the financial position at the year end are satisfactory.

We consider the Company's key financial performance indicators during the year were as follows:

	2016	2015	Change
	£'000	£'000	%
Turnover	**11,562**	10,700	+8.1%
Gross profit	**3,375**	3,059	+10.3%
Gross profit %	**29.2%**	28.6%	+2.1%

In the coming year the company aims to grow sales by volume increases aided by some new products.

The company's principal financial instruments are trade debtors and trade creditors that arise directly from its operations.

The principal risks and uncertainties facing the company are competitive risks. As for many businesses of our size and in our sector the business environment in which we operate continues to be challenging. We are aware that any plans for future development may be subject to unforeseen events outside of our control. However, we will continue to be flexible and respond to market conditions and opportunities as they arise.

This report was approved by the board of directors on 2 December 2016 and signed on behalf of the board by:

M P Smith
Director

M. P. Smith.

Registered office:
Crown Chambers
Princes Street
Harrogate

Sykes House Farm Limited

Directors' Report

Year ended 30 June 2016

The directors present their report and the abbreviated financial statements of the company for the year ended 30 June 2016.

Statutory information

Sykes House Farm Limited is a limited company incorporated and domiciled in England and Wales with the registration number 00917409. The principal place of business is Sykes House Farm, Walton Road, Wetherby, LS23 7DR. The company's principal activity is described in the strategic report on page 2.

Directors

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

M P Smith
R C Smith
R L Hirst

Dividends

Particulars of recommended dividends are detailed in note 8 to the financial statements.

Directors' responsibilities statement

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 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have 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.

This report was approved by the board of directors on 2 December 2016 and signed on behalf of the board by:

M. P. Smith.

M P Smith
Director

Registered office:
Crown Chambers
Princes Street
Harrogate

Sykes House Farm Limited

Independent Auditor's Report to Sykes House Farm Limited under section 449 of the Companies Act 2006

Year ended 30 June 2016

We have examined the abbreviated financial statements set out on pages 7 to 20, together with the financial statements of Sykes House Farm Limited for the year ended 30 June 2016 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company's shareholders 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 shareholders those matters we are required to state to them in an auditors 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated financial statements in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.

Robert Horner BA FCA (Senior Statutory Auditor)

For and on behalf of
Lithgow Perkins LLP
Chartered accountant

Crown Chambers
Princes Street
Harrogate

16 December 2016

Sykes House Farm Limited

Abbreviated Statement of Comprehensive Income

Year ended 30 June 2016

	Note	2016 £	2015 £
Turnover	2	**11,561,723**	10,700,275
Cost of sales and other operating income		**8,186,491**	7,641,240
Distribution costs		**2,544,221**	2,159,374
Administrative expenses		**50,257**	60,368
Operating profit	3	**780,754**	839,293
Other interest receivable and similar income		**1,667**	372
Profit on ordinary activities before taxation		**782,421**	839,665
Tax on profit on ordinary activities	7	**157,455**	164,130
Profit for the financial year and total comprehensive income		**624,966**	675,535

All the activities of the company are from continuing operations.

The notes on pages 10 to 20 form part of these financial statements.

Sykes House Farm Limited

Statement of Financial Position

30 June 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	**832,744**	868,202
Current assets			
Stocks	10	**379,634**	374,416
Debtors	11	**1,269,557**	1,110,449
Investments	12	**454,608**	377,655
Cash at bank and in hand		**684,550**	512,153
		2,788,349	2,374,673
Creditors: amounts falling due within one year	13	**1,398,586**	1,140,334
Net current assets		**1,389,763**	1,234,339
Total assets less current liabilities		**2,222,507**	2,102,541
Provisions			
Taxation including deferred tax	15	**110,000**	115,000
Net assets		**2,112,507**	1,987,541
Capital and reserves			
Called up share capital	18	**1,000**	1,000
Profit and loss account	19	**2,111,507**	1,986,541
Shareholders funds		**2,112,507**	1,987,541

These financial statements have been prepared in accordance with the special provisions of section 445(3) Companies Act 2006 in regard to medium-sized companies.

These abbreviated financial statements were approved by the board of directors and authorised for issue on 2 December 2016, and are signed on behalf of the board by:

M P Smith
Director

M. P. Smith

Company registration number: 00917409

The notes on pages 10 to 20 form part of these financial statements.

Sykes House Farm Limited

Statement of Cash Flows

Year ended 30 June 2016

	2016	2015
	£	£
Cash flows from operating activities		
Profit for the financial year	**624,966**	675,535
Adjustments for:		
Depreciation of tangible assets	**165,190**	147,590
Other interest receivable and similar income	**(1,667)**	(372)
Loss on disposal of tangible assets	**5,206**	3,469
Unrealised gain on investment	**(10,953)**	(10,655)
Tax on profit on ordinary activities	**157,455**	164,130
Accrued income	**(333)**	(4,995)
Changes in:		
Stocks	**(5,218)**	(107,912)
Trade and other debtors	**(159,108)**	21,107
Trade and other creditors	**77,185**	73,917
Cash generated from operations	**852,723**	961,814
Interest received	**1,667**	372
Tax paid	**(141,055)**	(147,330)
Net cash from operating activities	**713,335**	814,856
Cash flows from investing activities		
Purchase of tangible assets	**(137,597)**	(284,415)
Proceeds from sale of tangible assets	**2,659**	4,268
Purchases of other investments	**(76,953)**	(76,655)
Unrealised gain on investment	**10,953**	10,655
Net cash used in investing activities	**(200,938)**	(346,147)
Cash flows from financing activities		
Proceeds from loans from group undertakings	**160,000**	132,544
Dividends paid	**(500,000)**	(568,200)
Net cash used in financing activities	**(340,000)**	(435,656)
Net increase in cash and cash equivalents	**172,397**	33,053
Cash and cash equivalents at beginning of year	**512,153**	479,100
Cash and cash equivalents at end of year	**684,550**	512,153

The notes on pages 10 to 20 form part of these financial statements.

1. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 21.

Revenue recognition

The turnover shown in the profit and loss account is the revenue from the performance of the exchange of transactions from the supply of goods during the year, exclusive of value added tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

1. Accounting policies *(continued)*

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	-	10% straight line
Fixtures and fittings	-	5% reducing balance
Motor vehicles	-	25% reducing balance
Freehold land	-	not depreciated

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

1. **Accounting policies** *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

1. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Current asset investments

Current asset investments are listed investments and are measured at fair value.

2. Turnover

Turnover arises from:

	2016	2015
	£	£
Sale of goods	**11,561,723**	10,700,275

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

3. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	**165,190**	147,590
Loss on disposal of tangible assets	**5,206**	3,469
Unrealised gain on investment	**(10,953)**	(10,655)
Foreign exchange differences	**(2,524)**	2,937
Defined contribution plans expense	**63,323**	40,000

4. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	**4,620**	4,100

Fees payable to the company's auditor and its associates for other services:		
Other non-audit services	**9,235**	8,711

5. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Production staff	**48**	43
Distribution staff	**19**	17
Administrative staff	**14**	14
	81	74

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	**1,603,563**	1,357,305
Social security costs	**117,888**	102,332
Other pension costs	**63,323**	40,000
	1,784,774	1,499,637

6. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	**24,300**	24,135
Company contributions to defined contribution pension plans	**43,019**	19,000
	67,319	43,135

The number of directors who accrued benefits under company pension plans was as follows:

	2016	2015
	No.	No.
Defined contribution plans	**2**	1

7. Tax on profit on ordinary activities

Major components of tax expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	**162,500**	141,100
Adjustments in respect of prior periods	**(45)**	30
Total current tax	**162,455**	141,130
Deferred tax:		
Origination and reversal of timing differences	**(5,000)**	23,000
Tax on profit on ordinary activities	**157,455**	164,130

Reconciliation of tax expense

The tax assessed on the profit on crdinary activities for the year is higher than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016	2015
	£	£
Profit on ordinary activities before taxation	**782,421**	839,665
Profit on ordinary activities by rate of tax	**154,294**	165,802
Effect of expenses not deductible for tax purposes	**3,571**	2,844
Effect of capital allowances and depreciation	**(410)**	(8,198)
Effect of changes in the rate of tax	**–**	3,682
Tax on profit on ordinary activities	**157,455**	164,130

8. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016	2015
	£	£
Equity dividends	**500,000**	568,200

9. Tangible assets

	Leasehold property	Fixtures and fittings	Motor vehicles	Freehold land	**Total**
	£	£	£	£	**£**
Cost					
At 1 Jul 2015	296,691	688,919	478,085	68,669	**1,532,364**
Additions	–	31,892	105,705	–	**137,597**
Disposals	–	(17,924)	(17,263)	–	**(35,187)**
At 30 Jun 2016	296,691	702,887	566,527	68,669	**1,634,774**
Depreciation					
At 1 Jul 2015	200,272	220,973	224,248	18,669	**664,162**
Charge for the year	27,640	53,208	84,342	–	**165,190**
Disposals	–	(13,131)	(14,191)	–	**(27,322)**
At 30 Jun 2016	227,912	261,050	294,399	18,669	**802,030**
Carrying amount					
At 30 Jun 2016	68,779	441,837	272,128	50,000	**832,744**
At 30 Jun 2015	96,419	467,946	253,837	50,000	868,202

10. Stocks

	2016	2015
	£	£
Raw materials and consumables	**379,634**	374,416

11. Debtors

	2016	2015
	£	£
Trade debtors	**1,224,928**	1,072,020
Prepayments and accrued income	**24,888**	24,679
Other debtors	**19,741**	13,750
	1,269,557	1,110,449

12. Investments

	2016	2015
	£	£
Other investments	**454,608**	377,655

13. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	**861,145**	786,008
Amounts owed to group undertakings	**292,544**	132,544
Accruals and deferred income	**51,751**	54,244
Corporation tax	**162,500**	141,100
Social security and other taxes	**30,646**	26,438
	1,398,586	1,140,334

14. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£	£
Included in provisions (note 15)	**110,000**	115,000

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

	2016	2015
	£	£
Accelerated capital allowances	**110,000**	115,000

15. Provisions

	Deferred tax (note 14)
	£
At 1 July 2015	**115,000**
Movement in the year	**(5,000)**
At 30 June 2016	**110,000**

16. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £63,323 (2015: £40,000).

17. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2016	2015
	£	£
Recognised in creditors:		
Deferred government grants due within one year	**8,877**	11,037

A grant of £37,699 was received in 2010 from The European Agricultural Fund for Rural Development. £32,457 in respect of capital expenditure is amortised over the life of the asset.

18. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary 'A' Shares shares of £1 each	**750**	**750**	750	750
Ordinary 'B' Shares shares of £1 each	**150**	**150**	150	150
Ordinary 'C' Shares shares of £1 each	**100**	**100**	100	100
	1,000	**1,000**	1,000	1,000

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

19. Reserves

Profit and loss account - this reserve records retained earnings and accumulated losses.

20. Controlling party

In the opinion of the directors, the ultimate holding company is Live Yorkshire Limited, a company registered in England and Wales.

21. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 July 2014.

21. Transition to FRS 102 *(continued)*

Reconciliation of equity

	1 July 2014			30 June 2015		
	As previously stated	Effect of transition	FRS 102 (as restated)	As previously stated	Effect of transition	FRS 102 (as restated)
	£	£	£	£	£	£
Fixed assets	739,114	–	739,114	868,202	–	868,202
Current assets	2,178,160	–	2,178,160	2,364,018	10,655	2,374,673
Creditors: amounts falling due within one year	(945,068)	–	(945,068)	(1,140,334)	–	(1,140,334)
Net current assets	1,233,092	–	1,233,092	1,223,684	10,655	1,234,339
Total assets less current liabilities	1,972,206	–	1,972,206	2,091,886	10,655	2,102,541
Provisions	(92,000)	–	(92,000)	(115,000)	–	(115,000)
Net assets	1,880,206	–	1,880,206	1,976,886	10,655	1,987,541
Capital and reserves	1,880,206	–	1,880,206	1,976,886	10,655	1,987,541

21. Transition to FRS 102 *(continued)*

Reconciliation of profit or loss for the year

	Year ended 30 June 2015		
	As previously stated	Effect of transition	FRS 102 (as restated)
	£	£	£
Turnover	10,700,275	–	10,700,275
Cost of sales	(7,641,240)	–	(7,641,240)
Gross profit	3,059,035	–	3,059,035
Distribution costs	(2,159,374)	–	(2,159,374)
Administrative expenses	(71,023)	10,655	(60,368)
Operating profit	828,638	10,655	839,293
Other interest receivable and similar income	372	–	372
Tax on profit on ordinary activities	(164,130)	–	(164,130)
Profit for the financial year	664,880	10,655	675,535

The transitional adjustment was necessary because the company was required to revise its accounting policy regarding the valuation of current asset investments. Under FRS 102 financial assets (investments) have to be valued at fair value, which for listed investments is market value. Prior to the adoption of FRS 102, the company had valued its investments at the lower of cost and net realisable value. At 30 June 2015 the market value exceeded the cost by £10,655. No adjustment was required at 1 July 2014.

22. Controlling interest

The company is controlled by the directors of it's ultimate holding company.