Registered number
03168607

Chaucer Foods Limited

Report and Accounts

31 December 2014

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COMPANIES HOUSE

Chaucer Foods Limited
Company Information

Directors
D B Manning
A Ducker
J R Kipling (resigned 29th May 2015)

Secretary
A Ducker

Auditor
KPMG LLP
1 The Embankment
Neville Street
Leeds
Yorkshire
LS1 4DW

Bankers
National Westminster Bank Plc
PO Box 944
34 King Edward Street
Hull
Yorkshire
HU1 3YN

Solicitors
Lupton Fawcett Denison Till
Stamford House
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Registered office
Unit 26, Brighton Street Industrial Estate
Freightliner Road
Hull
Yorkshire
HU3 4UN

Registered number
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Chaucer Foods Limited
Registered number: 03168607
Strategic Report

Principal activities
The principal activity of the company is the freeze drying of fruit products for sale to customers.

The company did not trade until 31 July 2013. Until that date, its principal activity was to act as an intermediate holding company for the Broomco (3554) Group. On 31st July 2013, the group transferred the freeze drying business from a fellow subsidiary (Chaucer Foods UK Limited - formerly Chaucer Foods Limited) to this company.

The Business model
Our objectives are to be the leading technology-led ingredients supplier and to profitably grow the business globally, through further development of our strong relationships with major food businesses around the world.

Fulfilling the needs of our customers requires the company to supply products of the highest quality at a competitive price. In order to ensure these requirements as well as security of supply and high food safety standards, the business is vertically structured and in many cases is able to supply the raw or base material for the finished product from within the company.

The company continues to invest in new product developments and innovations that are key in helping the company to grow the business and expand into new market sectors.

Review of the business
The profit for the year, after taxation and before dividends, amounted to $11,199,000 (2013 $1,242,000). The directors are satisfied with the performance of the company and the new financial year has progressed well with trading in line with expectations.

Exceptional costs of $168,000 in the year (2013 $nil) relate to professional fees relating to a proposed listing on the AIM market. This listing did not occur in the financial year so the associated costs have been expensed to profit and loss.

KPIs
The company's key performance indicators are as follows:

	2014 $000	2013 $000
Sales	79,311	22,652
EBITDA	11,650	1,801
Debtor days	26	32
Inventory days	41	124
Creditor days	32	30

We have identified the above measures that are important to the group's financial performance and operational excellence and to our members, customers, suppliers and employees. The Board considers these in assessing the achievement of the group's strategy.

Principal risks and uncertainties

Strategic, financial, commercial, operational, social, environmental and ethical risks are all considered as part of the company's controls, which are designed to manage rather than eliminate the risk of failure to achieve business objectives. Therefore they can only provide reasonable, not absolute, assurance against material misstatement or loss.

At present there are no current risks affecting the value of the company, however the specific risks and uncertainties faced by the company, in line with the rest of the food manufacturing sector, are customer retention, raw material supply, food quality and hygiene, margins, profitability and competition.

In general, principal risks and uncertainties facing the company are broadly grouped as - competitive, legislative, supply and financial instrument risk.

Competitive risks:
The company is reliant on certain major multinationals for contracts which are subject to periodic competitive tender, based on financial and performance criteria.

Legislative risks:
The company operates internationally and needs to comply with food and ingredients standards in those markets.

In the UK and Europe, food ingredients must be manufactured to EU standards. In the United States the Food and Drug Administration lays down compliance standards for all products entering that market. All these standards are subject to continuous revision and any new directive may have a material impact on the ability of the company to manufacture and supply products at a profit. In addition compliance imposes costs and failure to comply with the standards could affect the company's ability to operate.

Outside the above markets, the equivalent standards are subject to individual State legislatures. These standards vary considerably between individual States.

Supply risks:
The company is required to source ingredients, the price and availability of which are influenced by numerous market factors. This risk is managed through the company's fruit growing programme, and through the use of forward purchasing contracts.

Financial instrument risks:
The company has established a risk and financial management framework whose primary objectives are to protect the company from events that hinder the achievement of the company's performance objectives.

The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business unit level.

Use of derivatives:
The company manages its foreign exchange risk through maintaining as far as possible a balanced portfolio of currencies. Due to the global nature of the company, there is some degree of natural hedging arising from normal trading operations. Forward foreign exchange swaps are arranged where there are recognised imbalances in future currency flows. The company does not engage in foreign currency speculation. The accounting policy for foreign currencies is set out in note 1 to the accounts.

The company uses forward foreign currency contracts to reduce exposure to the variability of foreign exchange rates by fixing the rate of any material payments in a foreign currency.

Exposure to price, credit, liquidity and cash flow risk:
The company has policies to manage price, credit, liquidity and cash flow risk and the Board discusses credit risk and management on a regular basis.

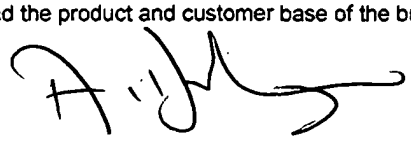
Price and credit risk are managed by contracts with customers and suppliers. Price risk arises on financial instruments because of changes in, for example, commodity prices or equity prices. Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the company's debtors are shown in Note 15 to the financial statements.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing cash generation by its operations, applying cash collection targets throughout the company. The company also manages liquidity risk via revolving credit facilities and long term debt.

Cash flow risk is managed by the use of foreign exchange as explained above. Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability.

The company also manages liquidity risk via revolving credit facilities and long term debt. At the date of signing, the company has a positive cash balance and in addition has available to it overdraft facilities to utilise for working capital.

Future developments
The markets in which the company operates remain highly competitive with continued price pressures from customers as well as significant upward pressure in raw material costs and other input costs. The company continues to trade in a difficult environment for food manufacturers however the directors remain cautiously optimistic about the future. The company continues with its efforts to further develop and expand the product and customer base of the business.



A Ducker
Director
30th September 2015

Chaucer Foods Limited
Registered number: 03168607
Directors' Report

The directors present their report and financial statements for the year ended 31 December 2014.

Going concern
The directors confirm that after reviewing existing financial resources and projected cash flow, and considering current and anticipated market conditions, they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis has been adopted in preparing these financial statements.

Research and development
Product improvement and development remains important in order to satisfy customer and market demands and is an integral part of the company's marketing strategy.

Directors
The following persons served as directors during the year:

D B Manning
A Ducker
J R Kipling (resigned 29th May 2015)

Disclosure of information to auditor
Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Third party indemnity provisions
The directors are indemnified against any claim first made against them for any wrongful act in their capacity as a director, officer or employee of the company.

Re-appointment of auditor
In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of KPMG LLP as auditor of the Company.

Chaucer Foods Limited
Registered number: 03168607
Directors' Report

Employee involvement and employment of disabled persons
Within the grounds of commercial confidentiality, information is disseminated to all levels of staff about matters that affect the progress of the company and are of interest and concern to them as employees. The company's policy is to adopt an open management style, thereby encouraging informal consultation at all levels about aspects of the company's operations. Employment policies are designed to provide equal opportunities irrespective of colour, ethnic or natural origin, nationality, sex, religion, marital or disabled status. Full consideration is given to applications for employment by and the continuing employment, training and career development of disabled people.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation the United Kingdom governing the preparation and dissemination of financial statement may differ from legislation in other jurisdictions.

Auditor
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board on 30th September 2015 and signed on its behalf.



A Ducker
Director

Chaucer Foods Limited

Statement of Directors' responsibilities in respect of the Strategic Report, Directors' Report and the Financial Statements

The directors are responsible for preparing the Strategic Report, Directors' report and 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT
to the members of Chaucer Foods Limited

We have audited the financial statements of Chaucer Foods Limited for the year ended 31 December 2014 set out on pages 9 to 19. 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 page 7, 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 the 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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 & 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.

Malcolm C Harding

Malcolm Harding (Senior Statutory Auditor)
for and on behalf of KPMG LLP (Statutory Auditor)
Chartered Accountants
1 The Embankment
Neville Street
Leeds
LS1 4DW
30th September 2015

Chaucer Foods Limited
Registered number: 03168607
Profit and Loss Account
for the year ended 31 December 2014

	Notes	2014 $000	2013 $000
Turnover	2	79,311	22,652
Cost of sales		(63,624)	(16,632)
Gross Profit		15,687	6,020
Distribution costs		(4,861)	(1,066)
Administrative expenses - recurring		(5,288)	(2,414)
Operating Profit	4	5,538	2,540
Exceptional items	5	(168)	(1,879)
Operating Profit after exceptional items		5,370	661
Income from shares in group undertakings		6,133	1,140
Intercompany interest receivable		184	80
Interest payable	8	(124)	(502)
Profit on ordinary activities before taxation		11,563	1,379
Tax on profit on ordinary activities	9	(364)	(137)
Profit for the financial year		11,199	1,242

Continuing operations
On 31st July 2013, the group transferred the freeze drying business from a fellow subsidiary (Chaucer Foods UK Limited - formerly Chaucer Foods Limited) to this company.

Historical cost profits and losses
No differences during the financial years.

Chaucer Foods Limited
Registered number: 03168607
Statement of total recognised gains and losses
for the year ended 31 December 2014

	Notes	2014 $000	2013 $000
Profit for the financial year	20	11,199	1,242
Exchange rate effect of consolidation	21	110	(102)
Total recognised gains and losses related to the year		11,309	1,140

Chaucer Foods Limited
Registered number: 03168607
Balance Sheet
as at 31 December 2014

	Notes		2014 $000		2013 $000
Fixed assets					
Intangible assets	11		-		110
Tangible assets	12		81		104
Investments	13		7,741		6,457
			7,822		6,671
Current assets					
Stocks	14	7,223		13,551	
Debtors	15	64,013		81,928	
		71,236		95,479	
Creditors: amounts falling due within one year	16	(44,091)		(71,489)	
Net current assets			27,145		23,990
Total assets less current liabilities			34,967		30,661
Creditors: amounts falling due after more than one year	17		(59)		(62)
Net assets			34,908		30,599
Capital and reserves					
Called up share capital	18		1,019		1,019
Share premium	19		6,163		6,163
Profit and loss account	20		27,726		23,417
Shareholders' funds	21		34,908		30,599

A Ducker
Director
Approved by the board on 30th September 2015

Chaucer Foods Limited
Notes to the Accounts
for the year ended 31 December 2014

1 Accounting policies

Basis of preparation
The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

In accordance with section 400 of the Companies Act 2006, the company is exempt from the requirement to prepare group financial statements. This exemption applies, as the company is a wholly owned subsidiary of Broomco (3554) which has been established under the laws of United Kingdom; a member state of the European Economic Community, and prepares group financial statements which include the company.

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

Revenue recognition policy
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Research and development expenditure
Expenditure on research and development is charged to the profit and loss account in the year in which it has occurred.

Related party transactions
The directors have taken advantage of the exemption in Financial Reporting Standard No 8 from disclosing transactions with related parties that are part of the Broomco (3554) Limited Group.

Fixed assets
Tangible fixed assets are stated at cost less depreciation.

Investments
Investments are stated at cost less provision for permanent diminution in value.

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 ruling on the date of the transaction. Exchange differences are taken to the profit and loss account.

Depreciation
Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	2% straight line
Motor vehicles	25% straight line
Plant and machinery	20-33% straight line

Intangible fixed assets
Intangible fixed assets (including intellectual property) are amortised at rates calculated to write off the assets on a straight line basis over their estimated useful economic lives. Impairment of assets is only reviewed where circumstance indicate that the carrying value of an asset may not be fully recoverable.

Stocks
Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis, and includes all direct costs incurred and attributable production overheads. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

Taxation
The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments
Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

Pensions
The company makes payments to externally managed personal pension plans for certain individuals and the pension charge in the profit and loss account represents the amounts payable by the company to these plans in respect of the year.

2 Analysis of turnover

	2014 $000	2013 $000
By geographical market:		
UK	1,261	814
Europe	11,520	3,595
North America	66,361	17,762
Rest of world	169	481
	79,311	22,652

3 Auditors remuneration

	2014 $000	2013 $000
The remuneration of the auditors is further analysed as follows:		
Audit of the financial statements	-	31
Other fees to auditors - reorganisation fees	-	3
	-	34

2014 Audit Fees are borne by a fellow group company.

4 Operating profit

	2014 $000	2013 $000
This is stated after charging / (crediting):		
Depreciation of owned fixed assets	37	15
Amortisation of goodwill	110	45
Operating lease rentals - plant and machinery	-	28
Management charges	423	(283)

5 Exceptional items

	2014 $000	2013 $000
Exceptional items	168	1,879
	168	1,879

Exceptional items of $168,000 in the year relate to professional fees relating to a proposed listing on the AIM market. This listing did not occur in the financial year so the associated costs have been expensed to profit and loss.

Exceptional items in 2013 related to a provision for redundancy costs ($766,000) and a provision for doubtful debts recognised in respect of a single customer ($1,113,000).

6 Directors' emoluments

	2014 $000	2013 $000
Emoluments	1,322	756
Company contributions to money purchase pension schemes	11	5
	1,333	761
Highest paid director:		
Emoluments	1,132	687

Number of directors in company pension schemes:	2014 Number	2013 Number
Money purchase schemes	1	-

7 Staff costs

	2014 $000	2013 $000
Wages and salaries	2,005	1,905
Social security costs	219	105
Other pension costs	93	34
	2,317	2,044

Average number of employees during the year	Number	Number
Administration	14	7
Sales	6	1
	20	8

8 Interest payable

	2014 $000	2013 $000
Other loan interest	(46)	(6)
Intercompany interest	(78)	(101)
Exchange differences	-	(395)
	(124)	(502)

9 Taxation

	2014 $000	2013 $000
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	(308)	(146)
Adjustments in respect of previous periods	(55)	(1)
	(363)	(147)
Deferred tax:		
Origination and reversal of timing differences	44	20
Effect of increased tax rate on opening liability	(45)	(10)
	-	-
	(1)	10
Tax on profit on ordinary activities	(364)	(137)

Factors affecting tax charge for period
The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2014 $000	2013 $000
Profit on ordinary activities before tax	11,563	1,379
Standard rate of corporation tax in the UK	21.50%	23.30%
	$000	**$000**
Profit on ordinary activities multiplied by the standard rate of corporation tax	2,486	321
Effects of:		
Fixed asset difference	-	81
Expenses not deductible for tax purposes	43	(265)
Income not taxable for tax purposes	(1,320)	-
Group relief claimed	(791)	-
Depreciation in excess of capital allowances	-	8
Adjustments for prior periods	(55)	3
Rate difference	-	(1)
Current tax charge for period	(363)	(147)

Factors that may affect future tax charges
Deferred tax has been calculated at 20% as this is the tax rate substantively enacted at the Balance Sheet date.

The 2013 Budget on 20 March 2013 announced that the UK corporation tax rate will reduce to 20% by 2015. A reduction in the rate to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantially enacted on 17 July 2013. Therefore deferred tax has been reflected at 20%.

10 Dividends
A dividend of $7,000,000 paid to Pilgrim Food Holdings Limited in June 2014 and a Dividend totalling $6,133,000 (€4,708,000) was received from a subsidiary, Chaucer Foods SAS in June and December 2014. A dividend of $ 1,140,000 (€ 825,000) was received from a subsidiary, Chaucer Foods SAS in December 2013.

11 Intangible fixed assets	**$000**
Intellectual property:	
Cost	
At 1 January 2014	192
Additions	-
At 31 December 2014	192
Amortisation	
At 1 January 2014	82
Provided during the year	110
At 31 December 2014	192
Net book value	
At 31 December 2014	-
At 31 December 2013	110

Intellectual property is being written off in equal instalments over life of the contract (21 months). On 31st July, intellectual property was transferred from CFUKL at net book value

12 Tangible fixed assets

	Plant and machinery $000	Total $000
Cost		
At 1 January 2014	119	119
Additions	20	20
Surplus on revaluation	-	-
Disposals	-	-
Exchange adjustment	(6)	(6)
At 31 December 2014	133	133
Depreciation		
At 1 January 2014	15	15
Charge for the year	37	37
At 31 December 2014	52	52
Net book value		
At 31 December 2014	81	81
At 31 December 2013	104	104

13 Investments

	Investments in subsidiary undertakings $000
Cost	
At 1 January 2014	6,457
Additions	1,000
Revaluation	284
Disposals	-
At 31 December 2014	7,741

On 24th October 2014 the company increased its investment in Chaucer Foods Inc by $1,000,000, in return for 10 shares with a nominal value of $10. The capital injection was to facilitate Chaucer Foods Inc to acquire the trade and assets of Crunchies Food Company LLC out of Chapter 11 bankruptcy.

On 31st July 2013, the company purchased Chaucer Foods SAS and the freeze drying business from Chaucer Foods UK Limited (formerly Chaucer Foods Limited) for a total consideration of $17,538,000 (£11,568,000).

On 31st July 2013, the company purchased Chaucer Foods Inc from Pilgrim Food Holdings Limited for a consideration of $34,567 (£22,818).

The company holds 20% or more of the share capital of the following companies:

Company	Country of Incorporation	%
Direct Investments:		
Chaucer Foods SpA	Chile	100
Chaucer Foods, Inc	USA	100
Chaucer Foods SAS	France	100
Chaucer QALICB, Inc	USA	100
Indirect Investments:		
Chaucer Leverage Lender, Inc	USA	100
Crunchies Natural Food Company I	USA	65

14 Stocks

	2014 $000	2013 $000
Raw materials and consumables	1,939	5,931
Finished goods and goods for resale	5,284	7,620
	7,223	13,551

The difference between purchase price or production cost of stocks and their replacement cost is not material.

15 Debtors

	2014 $000	2013 $000
Trade debtors	5,704	4,177
Amounts owed by group undertakings and undertakings in which the company has a participating interest	56,559	76,443
Deferred tax asset	9	10
Other debtors	1,692	1,268
Prepayments and accrued income	49	30
	64,013	81,928

16 Creditors: amounts falling due within one year

	2014 $000	2013 $000
Bank loans and overdrafts	2,150	449
Trade creditors	5,512	3,287
Amounts owed to group undertakings and undertakings in which the company has a participating interest	32,748	64,953
Corporation tax	358	147
Other taxes and social security costs	-	59
Other creditors	1,609	14
Accruals and deferred income	1,714	2,580
	44,091	71,489

The bank overdraft is secured by a guarantee and indemnity and a composite debenture charged against the Company and a number of other group companies and a debenture charged against the Company.

17 Creditors: amounts falling due after one year

	2014 $000	2013 $000
Accruals and deferred income	59	62
	59	62

18 Share capital

	Nominal value	Number	2014 $000	2013 $000
Allotted, called up and fully paid:				
Ordinary shares	£1 each	418,334	647	647
Ordinary Class 2 shares	£1 each	217,900	337	337
			984	984
Preference shares	£0.01 each	2,281,064	35	35
			1,019	1,019

The ordinary shares and preference shares have the same rights except that the holders of the preference shares shall be entitled to receive notice of all general meetings but shall not by reason of such holding be entitled to attend or vote there at.

19 Share premium

	2014 $000
At 1 January 2014	6,163
At 31 December 2014	6,163

20 Profit and loss account

	2014 $000
At 1 January 2014	23,417
Profit for the financial year	11,199
Dividends	(7,000)
Exchange rate effect of consolidation	110
At 31 December 2014	27,726

21 Reconciliation of movement in shareholders' funds

	2014 $000	2013 $000
At 1 January	30,599	29,459
Profit for the financial year	11,199	1,242
Dividends	(7,000)	-
Other recognised gains and losses	110	(102)
At 31 December	34,908	30,599

22 Other financial commitments

Annual commitments on operating leases by expiry date are as follows:

	Other 2014 $000	Other 2013 $000
Operating leases which expire:		
within two to five years	-	12
	-	12

There were no capital commitments at 31st December 2014.

23 Contingent liabilities

The Company is party to a guarantee and set off agreement in respect of its own and all other group company bank loans and balances.

24 Related party transactions

As a 100% owned subsidiary of Broomco (3554) Limited, the Company qualifies for the exemption from disclosing transactions with other group companies.

25 Ultimate parent company

The company's immediate parent undertaking is Pilgrim Food Holdings Limited. The ultimate parent undertaking and controlling party is Broomco (3554) Limited. Copies of its group financial statements, which include the company are available from the its registered office, Unit 26 Brighton Street Industrial Estate, Freightliner Road, Hull, East Yorkshire, HU3 4UN.