

EASEY PIGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2013

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EASEY PIGS LIMITED

COMPANY INFORMATION

DIRECTORS	M J Easey J A Easey C M Easey
COMPANY SECRETARY	C M Easey
REGISTERED NUMBER	06474607
REGISTERED OFFICE	1 Claydon Business Park Great Blakenham Ipswich Suffolk IP6 0NL
TRADING ADDRESS	Town Farm Hoxne Eye Suffolk IP21 5DB
INDEPENDENT AUDITORS	Larking Gowen Limited Chartered Accountants & Statutory Auditors 1 Claydon Business Park Great Blakenham Ipswich Suffolk IP6 0NL

EASEY PIGS LIMITED

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EASEY PIGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2013

The directors present their report and the financial statements for the year ended 28 February 2013

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of pig farming.

BUSINESS REVIEW

The statutory results for the company are shown on page 5.

These results fully reflect the improved year by the pig industry due to stabilising world grain prices. As the price of finished live pigs has increased during 2013, this increase combined with the stabilising grain prices, resulted in an improved gross margin and net profit for the year.

Given the nature of the business, the company's directors are of the opinion that complete analysis using key performance indicators is not useful for an understanding of the development, performance or position of the business.

RESULTS

The profit for the year, after taxation, amounted to £1,196,082 (2012 - £792,235).

EASEY PIGS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2013**

DIRECTORS

The directors who served during the year were

M J Easey
J A Easey
C M Easey

DISCLOSURE OF INFORMATION TO AUDITORS

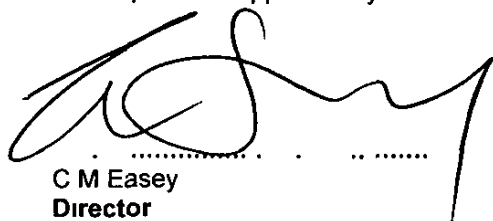
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Larking Gowen Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf



C M Easey
Director

Date 27/11/13

EASEY PIGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EASEY PIGS LIMITED

We have audited the financial statements of Easey Pigs Limited for the year ended 28 February 2013, which comprise the Profit and loss account, the Balance sheet and the related notes. 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 28 February 2013 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 MATTER 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.

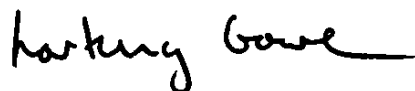
EASEY PIGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EASEY PIGS LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Luke Morris ACA (Senior statutory auditor)
for and on behalf of
Larking Gowen Limited
Chartered Accountants
Statutory Auditors
Ipswich

29 November 2013

EASEY PIGS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2013**

	Note	2013 £	2012 £
TURNOVER	1,2	70,843,018	67,563,968
Cost of sales		(66,656,027)	(64,210,862)
GROSS PROFIT		4,186,991	3,353,106
Administrative expenses		(2,600,674)	(2,277,658)
OPERATING PROFIT	3	1,586,317	1,075,448
Interest receivable and similar income		3,162	1,084
Interest payable and similar charges	7	(11,342)	(7,241)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,578,137	1,069,291
Tax on profit on ordinary activities	8	(382,055)	(277,056)
PROFIT FOR THE FINANCIAL YEAR	17	1,196,082	792,235

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account

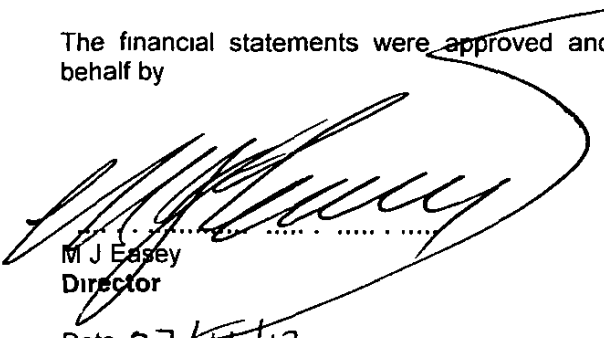
The notes on pages 7 to 16 form part of these financial statements

EASEY PIGS LIMITED
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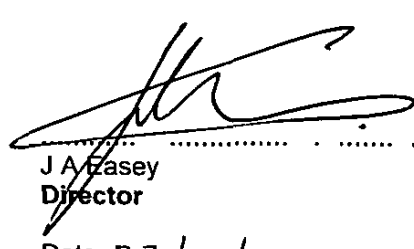
BALANCE SHEET
AS AT 28 FEBRUARY 2013

	Note	28 February 2013 £	29 February 2012 £
FIXED ASSETS			
Tangible assets	9	690,658	790,455
Investments	10	100	100
		<u>690,758</u>	<u>790,555</u>
CURRENT ASSETS			
Stocks	11	11,872,246	9,940,116
Debtors	12	3,258,021	3,075,957
Cash at bank and in hand		39,390	40,094
		<u>15,169,657</u>	<u>13,056,167</u>
CREDITORS: amounts falling due within one year	13	<u>(8,911,474)</u>	<u>(7,874,508)</u>
NET CURRENT ASSETS		<u>6,258,183</u>	<u>5,181,659</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,948,941</u>	<u>5,972,214</u>
CREDITORS: amounts falling due after more than one year	14	(4,000,000)	(4,200,000)
PROVISIONS FOR LIABILITIES			
Deferred tax	15	(16,530)	(35,885)
NET ASSETS		<u>2,932,411</u>	<u>1,736,329</u>
CAPITAL AND RESERVES			
Called up share capital	16	3	3
Profit and loss account	17	2,932,408	1,736,326
SHAREHOLDERS' FUNDS	18	<u>2,932,411</u>	<u>1,736,329</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by


M J Easey
Director

Date 27/11/13


J A Easey
Director

Date 27/11/13

The notes on pages 7 to 16 form part of these financial statements

EASEY PIGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The company is part of the Easey Holdings group which, has external bank borrowings along with financial support from M J Easey and his family. This has been used to fund the activities of the company and support the group. Results for the group in the year show continued growth.

The performance of the company during the financial year has improved from 2012 due to increased live finished pig prices and stabilising of world grain prices.

The company is part of the group guarantee for a joint borrowing facility with Barclays Bank PLC, as shown in note 13. Post year end, the position in the group guarantee has improved due to the group remaining profitable.

Accordingly, the directors have a reasonable expectation that the company has adequate resources and continued support of their parent and directors, to continue in operational existence for the foreseeable future, thus have adopted the going concern basis of accounting in preparing the financial statements.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.5 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue is recognised on the date when the pigs are slaughtered.

EASEY PIGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and 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:

Leasehold Property	-	10% straight line
Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	25% reducing balance

1.7 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.8 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.9 Stocks

Stocks are valued at the lower of estimated cost and net realisable value.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

All turnover arose within the United Kingdom.

EASEY PIGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

3. OPERATING PROFIT

The operating profit is stated after charging

	2013	2012
	£	£
Depreciation of tangible fixed assets		
- owned by the company	196,018	222,868
Operating lease rentals	25,500	25,500
	<u>221,518</u>	<u>248,368</u>

4 AUDITORS' REMUNERATION

	2013	2012
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	12,375	12,500
	<u>12,375</u>	<u>12,500</u>

Details of fees payable to the company's auditor in respect of other services are disclosed in the financial statements of the parent company

EASEY PIGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	853,512	858,756
Social security costs	91,218	26,035
Other pension costs	100,000	101,667
	<u>1,044,730</u>	<u>986,458</u>

The average monthly number of employees, including the directors, during the year was as follows

	2013 No.	2012 No
Administration	6	6
Direct	14	16
Management	3	3
	<u>23</u>	<u>25</u>

Included within staff costs and average staff numbers are 3 directors and 3 members of administration staff who undertake work for fellow subsidiary companies, Easey Herds Limited, Easey Veterinary Services Limited and D Blowers Limited. There is no charge for this service to Easey Veterinary Services Limited or D Blowers Limited. A management charge is raised to Easey Herds Limited and an undetermined amount of this charge is for the service.

6. DIRECTORS' REMUNERATION

	2013 £	2012 £
Remuneration	<u>251,861</u>	<u>214,239</u>
Company pension contributions to defined contribution pension schemes	<u>100,000</u>	<u>101,667</u>

During the year retirement benefits were accruing to 2 directors (2012 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £112,461 (2012 - £97,409).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £50,000 (2012 - £50,833).

EASEY PIGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

7. INTEREST PAYABLE

	2013 £	2012 £
On bank loans and overdrafts	<u>11,342</u>	<u>7,241</u>

8. TAXATION

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	401,410	295,115
Deferred tax (see note 15)		
Deferred tax charge/credit current year	(19,355)	(18,059)
Tax on profit on ordinary activities	<u>382,055</u>	<u>277,056</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 24% (2012 - 26%) The differences are explained below

	2013 £	2012 £
Profit on ordinary activities before tax	<u>1,578,137</u>	<u>1,069,291</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2012 - 26%)	378,753	278,016
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,008	886
Capital allowances for year in excess of depreciation	15,828	14,304
Other differences- decrease in rate of taxation	-	1,909
Other differences leading to an increase (decrease) in the tax charge	2,821	-
Current tax charge for the year (see note above)	<u>401,410</u>	<u>295,115</u>

EASEY PIGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

9. TANGIBLE FIXED ASSETS

	Land & buildings £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 March 2012	47,142	1,145,516	151,467	1,344,125
Additions	36,467	58,343	9,944	104,754
Disposals	-	-	(9,990)	(9,990)
At 28 February 2013	<u>83,609</u>	<u>1,203,859</u>	<u>151,421</u>	<u>1,438,889</u>
Depreciation				
At 1 March 2012	1,177	481,580	70,913	553,670
Charge for the year	5,726	171,043	19,249	196,018
On disposals	-	-	(1,457)	(1,457)
At 28 February 2013	<u>6,903</u>	<u>652,623</u>	<u>88,705</u>	<u>748,231</u>
Net book value				
At 28 February 2013	<u>76,706</u>	<u>551,236</u>	<u>62,716</u>	<u>690,658</u>
At 29 February 2012	<u>45,965</u>	<u>663,936</u>	<u>80,554</u>	<u>790,455</u>

10. FIXED ASSET INVESTMENTS

	Unlisted investments £
Cost or valuation	
At 1 March 2012 and 28 February 2013	<u>100</u>
Net book value	
At 28 February 2013	<u>100</u>
At 29 February 2012	<u>100</u>

EASEY PIGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

11 STOCKS

	28 February 2013 £	29 February 2012 £
Feed and medication	639,164	546,167
Livestock	11,233,082	9,393,949
	<u>11,872,246</u>	<u>9,940,116</u>

12. DEBTORS

	28 February 2013 £	29 February 2012 £
Trade debtors	2,491,724	2,487,800
Other debtors	717,842	501,988
Prepayments and accrued income	48,455	86,169
	<u>3,258,021</u>	<u>3,075,957</u>

13. CREDITORS: Amounts falling due within one year

	28 February 2013 £	29 February 2012 £
Bank loans and overdrafts	2,219,615	2,273,254
Trade creditors	3,978,581	3,454,339
Amounts owed to group undertakings	1,988,243	1,671,478
Corporation tax	276,649	164,984
Other taxation and social security	34,062	26,329
Other creditors	78,369	77,134
Accruals and deferred income	335,955	206,990
	<u>8,911,474</u>	<u>7,874,508</u>

The company including other subsidiary companies agreed jointly to guarantee to Barclays Bank Plc , the liabilities of each other in respect of their joint borrowing facilities

At 28 February 2013 the net liability that existed under this arrangement, other than the borrowings of £2,219,615 (2012 £2,273,254) included in creditors, was £2,286,506 (2012 £982,010)

EASEY PIGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

14 CREDITORS

Amounts falling due after more than one year

	28 February 2013 £	29 February 2012 £
Amounts owed to group undertakings	<u>4,000,000</u>	<u>4,200,000</u>

15. DEFERRED TAXATION

	28 February 2013 £	29 February 2012 £
At beginning of year	35,885	53,944
Released during year (P&L)	(19,355)	(18,059)
At end of year	<u>16,530</u>	<u>35,885</u>

The provision for deferred taxation is made up as follows

	28 February 2013 £	29 February 2012 £
Accelerated capital allowances	<u>16,530</u>	<u>35,885</u>

16. SHARE CAPITAL

	28 February 2013 £	29 February 2012 £
Allotted, called up and fully paid		
3 Ordinary shares of £1 each	<u>3</u>	<u>3</u>

17. RESERVES

	Profit and loss account £
At 1 March 2012	1,736,326
Profit for the financial year	1,196,082
At 28 February 2013	<u>2,932,408</u>

EASEY PIGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

18 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	28 February 2013 £	29 February 2012 £
Opening shareholders' funds	1,736,329	944,094
Profit for the financial year	1,196,082	792,235
Closing shareholders' funds	2,932,411	1,736,329

19. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company of

Defined contribution

	2013 £	2012 £
Contributions payable by the company for the year	100,000	101,667

20. OPERATING LEASE COMMITMENTS

At 28 February 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 28 February 2013 £	29 February 2012 £
Expiry date:		
Between 2 and 5 years	25,500	25,500

EASEY PIGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

21. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has not disclosed transactions with any member of the Easey Holdings Limited Group as all subsidiaries are wholly owned

During the year, the company traded with M J & J A Easey, a sole trader, of which M J Easey, a director, is the proprietor. Sales of £909,659 (2012 £1,431,361) were made to and purchases of £1,808,748 (2012 £1,578,272) were made from the sole trader. At the year end the company had a trade creditor of £64,283 (2012 £59,679) owed to the sole trader.

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is Easey Holdings Limited, a company registered in England and Wales, by virtue of its 100% shareholding. The ultimate parent company is under the control of all of the directors and there is no one ultimate controlling party.

The consolidated financial statements of Easey Holdings Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.