
MELROSE PIGS LIMITED
FILLETED UNAUDITED FINANCIAL STATEMENTS
31 MARCH 2017

COMPANY REGISTRATION NUMBER: 07732721

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CHARTERED ACCOUNTANTS

Melrose Pigs Limited

Financial Statements

Year ended 31 March 2017

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Melrose Pigs Limited

Statement of Financial Position

31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	6	5,200	7,800
Tangible assets	7	3,462,863	3,684,245
Investments	8	90,472	90,472
		<u>3,558,535</u>	<u>3,782,517</u>
Current assets			
Stocks		785,799	730,095
Debtors	9	352,021	297,539
Cash at bank and in hand		455,412	105,232
		<u>1,593,232</u>	<u>1,132,866</u>
Creditors: amounts falling due within one year	10	<u>1,167,486</u>	<u>851,796</u>
Net current assets		<u>425,746</u>	<u>281,070</u>
Total assets less current liabilities		<u>3,984,281</u>	<u>4,063,587</u>
Creditors: amounts falling due after more than one year	11	529,149	859,480
Provisions			
Taxation including deferred tax		184,996	200,445
Net assets		<u>3,270,136</u>	<u>3,003,662</u>
Capital and reserves			
Called up share capital	12	252	252
Share premium account		228	228
Statement of income and retained earnings		3,269,656	3,003,182
Members funds		<u>3,270,136</u>	<u>3,003,662</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

The notes on pages 3 to 10 form part of these financial statements.

Melrose Pigs Limited

Statement of Financial Position *(continued)*

31 March 2017

These financial statements were approved by the board of directors and authorised for issue on 18 September 2017 and are signed on behalf of the board by:

Mrs P F Dear
Director



Mr J R Rowbottom
Director



Mr E J Rowbottom
Director



Company registration number: 07732721

The notes on pages 3 to 10 form part of these financial statements.

Melrose Pigs Limited

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Melrose Farm, Melbourne, York, East Yorkshire, YO42 4SS.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. 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 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 15.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

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.

Melrose Pigs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Income tax *(continued)*

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.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Intangibles	-	Straight line over 5 years
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

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:

Freehold Property	-	Straight line over 10 years on buildings only
Leasehold Property	-	Straight line over 10 years
Plant & Machinery	-	Straight line over 5 - 10 years. AD Plant over 20 years.
Motor Vehicles	-	Straight line over 4 years

Melrose Pigs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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.

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.

Melrose Pigs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Stocks

Pigs, cattle and crops are biological assets and are valued using the cost model.

All other 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.

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.

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.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

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.

Melrose Pigs Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2017

4. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 12 (2016: 13).

5. Dividends

	2017 £	2016 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>64,000</u>	<u>—</u>

6. Intangible assets

	Basic Payment entitlements £
Cost	
At 1 Apr 2016 and 31 Mar 2017	<u>10,400</u>
Amortisation	
At 1 April 2016	2,600
Charge for the year	<u>2,600</u>
At 31 March 2017	<u>5,200</u>
Carrying amount	
At 31 March 2017	<u>5,200</u>
At 31 March 2016	<u>7,800</u>

7. Tangible assets

	Freehold property £	Long leasehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost					
At 1 April 2016	1,932,973	1,101,349	3,222,880	35,338	6,292,540
Additions	—	—	4,900	26,995	31,895
Disposals	—	—	—	(5,000)	(5,000)
At 31 March 2017	<u>1,932,973</u>	<u>1,101,349</u>	<u>3,227,780</u>	<u>57,333</u>	<u>6,319,435</u>
Depreciation					
At 1 April 2016	297,208	970,881	1,304,874	35,332	2,608,295
Charge for the year	5,199	26,752	221,325	—	253,276
Disposals	—	—	—	(4,999)	(4,999)
At 31 March 2017	<u>302,407</u>	<u>997,633</u>	<u>1,526,199</u>	<u>30,333</u>	<u>2,856,572</u>
Carrying amount					
At 31 March 2017	<u>1,630,566</u>	<u>103,716</u>	<u>1,701,581</u>	<u>27,000</u>	<u>3,462,863</u>
At 31 March 2016	<u>1,635,765</u>	<u>130,468</u>	<u>1,918,006</u>	<u>6</u>	<u>3,684,245</u>

Freehold Land & Buildings includes £1,608,545 (2015: £1,608,545) of non depreciable assets.

Melrose Pigs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

8. Investments

	Shares in group undertakings £
Cost	
At 1 Apr 2016 and 31 Mar 2017	<u>204,000</u>
Impairment	
At 1 Apr 2016 and 31 Mar 2017	<u>113,528</u>
Carrying amount	
At 31 March 2017	<u>90,472</u>

The company owns 100% of NOVNCN Limited, a company incorporated in England. NOVNCN Limited was dormant during the year.

The company is exempt from preparing group accounts and has not done so, therefore the accounts show information about the company as an individual entity.

9. Debtors

	2017 £	2016 £
Trade debtors	340,053	286,673
Other debtors	<u>11,968</u>	<u>10,866</u>
	<u>352,021</u>	<u>297,539</u>

10. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	330,332	330,332
Trade creditors	278,399	149,352
Corporation tax	93,884	–
Social security and other taxes	3,918	3,946
Amount owed to Northern Crop Driers Limited	360,156	265,883
Amount owed to NOVNCN Limited	90,472	90,472
Other creditors	<u>10,325</u>	<u>11,811</u>
	<u>1,167,486</u>	<u>851,796</u>

There are legal charges in favour of National Westminster Bank Plc over the land and buildings at Old Mills, Seaton Ross and Norway Farm, Bempton.

National Westminster Bank Plc also hold a debenture over the company assets.

JR Rowbottom and Mrs EM Rowbottom have given a guarantee to National Westminster Bank Plc of £1,850,000 together with a charge over land at Melrose Farm, Melbourne.

Melrose Pigs Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

11. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	<u>529,149</u>	<u>859,480</u>

There are legal charges in favour of National Westminster Bank Plc over the land and buildings at Old Mills, Seaton Ross and Norway Farm, Bempton.

National Westminster Bank Plc also hold a debenture over the company assets.

JR Rowbottom and Mrs EM Rowbottom have given a guarantee to National Westminster Bank Plc of £1,850,000 together with a charge over land at Melrose Farm, Melbourne.

12. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
"A" Ordinary shares of £1 each	132	132	252	252
"C" Ordinary shares of £1 each	40	40	—	—
"B" Ordinary shares of £1 each	40	40	—	—
"D" Ordinary shares of £1 each	40	40	—	—
	<u>252</u>	<u>252</u>	<u>252</u>	<u>252</u>

Share movements

	No.	£
"A" Ordinary		
At 1 April 2016	252	252
Shares redeemed	(120)	—
At 31 March 2017	<u>132</u>	<u>252</u>
"C" Ordinary		
At 1 April 2016	—	—
Shares redeemed	40	—
At 31 March 2017	<u>40</u>	<u>—</u>
"B" Ordinary		
At 1 April 2016	—	—
Shares redeemed	40	—
At 31 March 2017	<u>40</u>	<u>—</u>

Melrose Pigs Limited

Notes to the Financial Statements (continued)

Year ended 31 March 2017

12. Called up share capital (continued)

	No.	£
"D" Ordinary		
At 1 April 2016	–	–
Shares redeemed	40	–
At 31 March 2017	<u>40</u>	<u>–</u>

13. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2017			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J R Rowbottom	(447)	1,062	(1,000)	(385)
Mr E J Rowbottom	(317)	2,216	(2,500)	(601)
	<u>(764)</u>	<u>3,278</u>	<u>(3,500)</u>	<u>(986)</u>

	2016			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J R Rowbottom	(789)	343	–	(446)
Mr E J Rowbottom	(802)	1,485	(1,000)	(317)
	<u>(1,591)</u>	<u>1,828</u>	<u>(1,000)</u>	<u>(763)</u>

14. Related party transactions

The company was under the control of Mr & Mrs J Rowbottom.

15. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in equity or profit or loss for the year.