

Mostell Meats Limited
Annual report and financial statements
for the year ended 31 December 2017

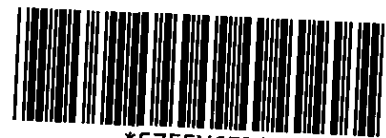
Registered Number SC423427

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Mostell Meats Limited

Contents

	Page
Directors and advisers	1
Directors' report.....	2
Profit and loss account.....	4
Balance sheet.....	5
Statement of changes in equity	6
Notes to the financial statements	7

Mostell Meats Limited

Directors and advisers for the year ended 31 December 2017

Directors

S M Godfrey (resigned 11th June 2018)

W Godfrey

A G Hill

Company secretary

S M Godfrey (resigned 11th June 2018)

Solicitors

Dentons UK and Middle East LLP

1 George Square

Glasgow

G2 1AL

Bankers

Bank of Scotland

1 Castle Terrace

Edinburgh

EH1 2DP

Registered office

Kelloholm Industrial Estate

Greystone Ave

Kelloholm

Sanquhar

Dumfriesshire

DG4 6RB

Registered number

SC423427

Mostell Meats Limited

Directors' report for the year ended 31 December 2017

The directors present their directors' report and the financial statements of the company for the year ended 31 December 2017.

Principal activities

The principal activities of the company are the importation and wholesale of frozen meat.

Results for the year

The profit for the financial year amounted to £7,882 (2016: £7,558).

Dividends

The directors do not recommend the payment of a dividend (2016: £nil).

Directors

The directors who served during the year and up to the date of signing the financial statements are listed on page 1.

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Mostell Meats Limited

Directors' report for the year ended 31 December 2017 (continued)

The directors have taken advantage of the small companies' exemption from the requirement to prepare a strategic report under section 414a of the Companies Act 2006.

By order of the Board



A G Hill
Director

4th September 2018

Kelloholm Industrial Estate
Greystone Ave
Kelloholm
Sanquhar
Dumfriesshire
DG4 6RB

Mostell Meats Limited

Profit and loss account for the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	2	627,474	602,375
Cost of sales		(617,711)	(592,920)
Gross profit		9,763	9,455
Administrative expenses		(7)	(7)
Profit before taxation		9,756	9,448
Tax on profit	4	(1,874)	(1,890)
Profit for the financial year		7,882	7,558

All amounts relate to continuing activities.

There is no other comprehensive income other than the profit for the current and preceding years.

The notes on pages 7 to 11 form part of these financial statements.

Mostell Meats Limited

Balance sheet as at 31 December 2017

	Note	2017 £	2016 £
Current assets			
Trade and other receivables	5	66,697	144
Cash at bank and in hand		66,262	58,580
Total current assets		132,959	58,724
Creditors: amounts falling due within one year	6	(72,384)	(6,031)
Net current assets and net assets		60,575	52,693
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account		60,573	52,691
Total shareholders' funds		60,575	52,693

The notes on pages 7 to 11 form part of these financial statements.

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 479a of the Companies Act 2006 relating to subsidiary 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

These financial statements on pages 4 to 11 were approved by the board of directors on 4th September 2018 and were signed on its behalf by:



W Godfrey
Director



A G Hill
Director

Mostell Meats Limited
Registered Number SC423427

Mostell Meats Limited

Statement of Changes in Equity 2016

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2016	2	45,133	45,135
Profit	-	7,558	7,558
Balance at 31 December 2016	2	52,691	52,693

Statement of Changes in Equity 2017

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2017	2	52,691	52,693
Profit	-	7,882	7,882
Balance at 31 December 2017	2	60,573	60,575

Mostell Meats Limited

Notes to the financial statements for the year ended 31 December 2017

1 Accounting policies

Mostell Meats Limited is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *the financial reporting standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling.

The Company's intermediate parent undertaking, Browns Food Group Limited includes the company in its consolidated financial statements. The consolidated financial statements of Browns Food Group Limited are prepared in accordance with UK Generally Accepted Accounting Practice, are available to the public and may be obtained from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF. In these financial statements, the Company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Turnover

Turnover represents amounts invoiced (excluding value added tax). Turnover is recognised when the goods are shipped to customers.

1.3 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Mostell Meats Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

1 Accounting policies (continued)

1.3 Taxation (continued)

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.4 Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the date of the transactions, monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. All resulting differences are dealt with in the profit and loss account in the year in which they arise.

2 Turnover

All turnover is derived in the United Kingdom from the importation and wholesale of frozen meat.

3 Employee information

The company had no employees in the current or prior year. Remuneration of directors was borne by another group company in both the current and prior year.

4 Taxation

	2017	2016
Total tax expense recognised in the profit and loss	£	£
Current tax:		
- Current tax on income for the year	1,878	1,890
- Adjustment in respect of prior years	(4)	-
Total current tax	1,874	1,890

Mostell Meats Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

4 Taxation (continued)

(a) Reconciliation of effective tax rate

	2017 £	2016 £
Profit for the year	7,882	7,558
Total tax expense	1,874	1,890
Profit before taxation	9,756	9,448
Profit multiplied by the standard rate of tax in the UK of 19.25% (2016:20%)	1,878	1,890
Adjustment in respect of prior years	(4)	-
Total tax expense included in profit	1,874	1,890

(b) Tax rate changes

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

5 Trade and other receivables

	2017 £	2016 £
Trade debtors	18,960	-
Amount owed by group undertakings	45,519	-
Other debtors	2,218	144
	66,697	144

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Mostell Meats Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	18,960	-
Amounts owed to group undertakings	53,424	6,027
Corporation tax	-	4
	72,384	6,031

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

There are no trade and other payables falling due after more than one year.

7 Called up share capital

	2017	2016
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

8 Parent undertaking and controlling party

The immediate parent undertaking is Mostell Limited, a company incorporated in England.

Browns Food Group Limited, a company incorporated in Scotland, is the intermediate parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2017. Subsequent to the year end, as part of a group reorganisation, BFG Holdings Limited became the ultimate parent company. Prior to that it was GF1 Investments Limited. There is no individual controlling party in BFG Holdings Limited however a significant portion of the shares are held by the Godfrey family. The consolidated financial statements of Browns Food Group are available from Browns Food Group, Kelloholm Industrial Estate, Kirkconnel, Dumfriesshire, DG4 6RB.

Mostell Meats Limited

Notes to the financial statements for the year ended 31 December 2017 (continued)

9 Accounting estimates and judgements

Debtors

The recoverability of trade and other receivables are kept under constant review and provision is made where appropriate.