

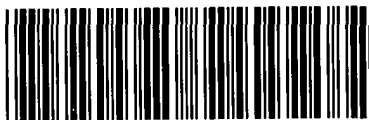
Registered number: 00451065

A H WORTH AND COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2015

FRIDAY



A5137NBE

A12

19/02/2016

#338

COMPANIES HOUSE

A H WORTH AND COMPANY LIMITED

COMPANY INFORMATION

DIRECTORS

S T Worth
D R Worth
S J Ellwood
T J Cooper-Jones (appointed 23 July 2014)
E S Power (appointed 23 July 2014)

COMPANY SECRETARY

A J Blatherwick

REGISTERED NUMBER

00451065

REGISTERED OFFICE

Fleet Estate Office
Manor Farm
Holbeach Hurn
Holbeach
Lincolnshire
PE12 8LR

INDEPENDENT AUDITORS

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
101 Cambridge Science Park
Milton Road
Cambridge
CB4 0FY

BANKERS

HSBC
59 High Street
Holbeach
Spalding
Lincolnshire
PE12 7EB

A H WORTH AND COMPANY LIMITED

CONTENTS

	Page
Group strategic report	1 - 3
Directors' report	4 - 6
Independent auditors' report	7 - 8
Consolidated profit and loss account	9
Consolidated statement of total recognised gains and losses	10
Consolidated balance sheet	11 - 12
Company balance sheet	13
Consolidated cash flow statement	14
Notes to the financial statements	15 - 33

A H WORTH AND COMPANY LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MAY 2015

The directors present their strategic report together with the audited financial statements for the year ended 31 May 2015.

The AHW group's principal activities consist of a parent company with subsidiaries engaged in farming activities, the procurement, packaging, marketing and distribution of fresh produce and stainless steel fabrication.

BUSINESS REVIEW

Although the group continues to have a diverse range of interests, the impact of the cyclical market for agricultural raw materials remains the key driver on financial results. The 2014 UK season was one of good supply and quality across produce depressing free market prices particularly at the beginning of the season.

The year saw us further increasing our growing and packing operations in support of our whole head produce offer. We commenced a Joint Venture, Anglia Growing Partnership Limited, to pack our increasing own grown onion business, sharing the overheads of this new facility with our partner Nationwide Produce plc.

We also began the process of restructuring our core business given that IPL, the procurement business of Asda, would take in house their fresh potato packing requirements. We continue to work closely with IPL to assure the successful transition of this business and affected employees to them with minimum disruption.

Looking forwards, the challenge of a deflationary retail price environment in produce and the intensity of retail competition will remain in 15'16. We recognise the paramount importance of our quality, price and service combination for our key customers across our range and have implemented initiatives from increased growing through packing quality to our delivery to drive our standards even higher. We are confident that our increased growing operations, provenance and focus on service will sustain growth in our non-potato business streams and a proactive approach to the restructuring of our core potato business will enable us to continue to deliver a strong performance.

Worth Farms experienced relatively high yields in 2014. However, this was offset by the lower selling price. The Anaerobic Plant, located at the Holbeach site, continues to deliver a consistently positive performance. Both the plant and the AHW group received commercial advantage from the feedstock supply and the off take of energy.

Teknomek continues to show positive signs, with improved financial results, particularly in the second half of the year. Raw material price stability, a proactive marketing strategy and a general upturn in demand in the sector have contributed to this improvement.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the group's strategy are subject to a number of risks. Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them.

The key risks affecting the group are set out below:

Customers

In order to reduce the potential loss of custom, the group values integrity and seeks to conduct its business with professionalism and aspires to provide excellent service in the eyes of our customers. In order to do so the business ensures it is closely aligned to all its customers' objectives and is at the forefront of developing supply chain value for those customers. The group's strategy continues to be to develop the business across more sectors to ensure optimum crop utilisation and extend the product range of the group offered to customers.

The group monitors the changes in ultimate consumer consumptions trends and consequently seeks to develop core business to cater for these trends. It has noted reductions in fresh prepared consumption per capita particularly in potatoes and continues to extend the range of products in the fresh prepared sector. It is also alive to investment opportunities to promote and extend its range in growth produce categories.

A H WORTH AND COMPANY LIMITED

GROUP STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MAY 2015

Employees

The group respects and cares for its staff and invests in their employment potential in return for loyalty, openness, commitment and performance. The group operates a variety of progression based structures, invests in personal and professional development, provides significant work related benefits and employs an open and honest process of continuous dialogue to ensure employees' interests are aligned with the group. The group believes in remunerating its staff fairly for doing a good job which includes taking on responsibility, working as a team and supporting the group's continuous improvement.

Commodity risk

As a large part of the group's operations are involved with agricultural raw materials, the group is exposed to the vagaries of climate and economic cycles and the group operates a variety of tools to reduce exposure to this risk. These include contracting supply price and quantity with suppliers, growing our own crops, having a wide customer spectrum to ensure optimum product utilisation and working with customers to increase real value.

Natural resources

A further key risk is the environment and the consumption of natural resources. The group respects the environment in which it operates and works to conserve natural resources and enhance the natural environment. The group and its subsidiaries are working on a range of initiatives to reduce the carbon footprint associated with its supply chains in active participation with customers and suppliers. These include the production of renewable energy from anaerobic digestion and solar panels and its membership of LEAF (Linking Environment & Farming). Furthermore it recognises inflationary pressures arising from fossil fuel prices and commodity shortages and works closely with customers and suppliers to mitigate this through supply chain efficiencies.

FINANCIAL KEY PERFORMANCE INDICATORS

The key performance indicators of the business which are monitored through the production of periodic management accounts are as follows:

	2015	2014
Turnover - £'m	£147m	£171m
Turnover growth year on year	(14.0%)	(6.7%)
Gross profit - £'m	£42.8m	£46.4m
Gross profit - % of sales	29.1%	27.1%
Profit before taxation - £'m	£7.0m	£6.4m
Profit before taxation - % of sales	4.8%	3.7%

OTHER KEY PERFORMANCE INDICATORS

The management employ a range of customer and internally derived Key Performance Indicators often on a daily or even hourly basis to assist in the control and monitoring of business progress. These indicators include physical performance, financial, quality assurance, technical and customer service measures. Where possible they are produced from a range of bespoke and externally provided control systems. The AHW group prides itself in actively seeking the feedback of its customers to assist in the continuous improvement of service and quality and this feedback along with formal financial and operating performance measures are reported comprehensively to the A H Worth and Company Ltd board on a four weekly basis.

A H WORTH AND COMPANY LIMITED

**GROUP STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MAY 2015**

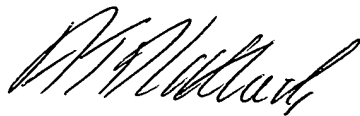
FUTURE DEVELOPMENT OF THE BUSINESS

The group and all its subsidiaries continue to make good progress and it has a strong balance sheet and positive cash flows. As a family business it takes a long term view and will continue to seek out opportunities to grow and develop its operations.

Our aim is to deliver a broader product range, raise quality and reduce costs through investing in the growing base as well as working more closely with our key stakeholders.

This report was approved by the board on 29 September 2015 and signed on its behalf.

A J Blatherwick
Secretary



A H WORTH AND COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2015

The directors present their report and the financial statements for the year ended 31 May 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group strategic report, 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 the group and of the profit or loss of the group 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 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £5,392k (2014 - £4,469k).

During the year dividends of £81,028 (2014 - £81,028) were paid. The directors recommend a dividend of £81,028 (2014 - £81,028).

DIRECTORS

The directors who served during the year were:

S T Worth
D R Worth
S J Ellwood
T J Cooper-Jones (appointed 23 July 2014)
E S Power (appointed 23 July 2014)
M O'Driscoll (resigned 7 July 2014)
R G W Williams (resigned 22 July 2014)

The group has purchased and maintains insurance to cover its officers against liabilities in relation to their duties to the group.

A H WORTH AND COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2015

FINANCIAL INSTRUMENTS

The group has structured debt arrangements with a range of funding sources tailored to the specific underlying requirements of the business to which the funding relates. As a result of this policy, the group retains a significant free cash flow to capitalise on short term trading opportunities and to mitigate commodity related volatility.

The group also exercises several key financial risk management tools. A substantial part of the trade debtors are covered by trade indemnity insurance and the group uses fixed and variable rate asset and loan funding aligned with the productive assets it employs and over this, interest rate risk management to control exposure to bank interest rate movements. It reviews profit performance weekly in key operating subsidiaries and monthly across all subsidiaries and associates as well as maintaining the external audit rigours of the annual statutory cycle across all trading subsidiaries and associates. The group also undertakes bottom up budgets and forecasts to challenge costs and monitor and predict cash flow with a weekly treasury management process for net cash held.

The company increasingly sources produce from Europe and so has a euro exposure which it closely monitors and has the options of forward contracts and spot buying to mitigate it.

EMPLOYEE INVOLVEMENT

The group encourages the involvement of its employees in its management through regular meetings of the site consultative teams which have responsibility for the dissemination of information of particular concern to employees and for receiving their views on important matters of policy. The group also holds a series of formal briefings on group performance including annual company reviews to which all employees are invited.

DISABLED EMPLOYEES

The group will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. There is a training scheme in operation so that employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the group. The group operates a progressive system for career development and progression which is available to all employees.

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 and the group'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 and the group's auditors are aware of that information.

A H WORTH AND COMPANY LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2015**

AUDITORS

The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 September 2015 and signed on its behalf.



A J Blatherwick
Secretary

A H WORTH AND COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF A H WORTH AND COMPANY LIMITED

We have audited the financial statements of A H Worth and Company Limited for the year ended 31 May 2015, which comprise the group Profit and loss account, the group and company Balance sheets, the group Cash flow statement, the group Statement of total recognised gains and losses 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 group's and the parent company's affairs as at 31 May 2015 and of the group's 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 Group strategic report and the 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

A H WORTH AND COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF A H WORTH AND COMPANY LIMITED

Grant Thornton UK LLP

David Newstead (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants
Statutory Auditor

101 Cambridge Science Park
Milton Road
Cambridge
CB4 0FY

29 September 2015

A H WORTH AND COMPANY LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2015**

	Note	2015 £000	2014 £000
TURNOVER	1,2	147,086	171,433
Cost of sales		(104,298)	(125,010)
		<hr/>	<hr/>
GROSS PROFIT		42,788	46,423
Distribution costs		(8,371)	(7,756)
Administrative expenses		(28,219)	(32,893)
Other operating income	3	493	429
		<hr/>	<hr/>
OPERATING PROFIT	4	6,691	6,203
Income from interests in associated undertakings		302	249
Interest receivable and similar income		160	244
Interest payable and similar charges	8	(155)	(343)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		6,998	6,353
Tax on profit on ordinary activities	9	(1,606)	(1,884)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	20	5,392	4,469
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

The notes on pages 15 to 33 form part of these financial statements.

A H WORTH AND COMPANY LIMITED

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MAY 2015**

	2015	2014
	£000	£000
PROFIT FOR THE FINANCIAL YEAR	5,392	4,469
Unrealised surplus on revaluation of investment properties	-	105
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	5,392	4,574
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 15 to 33 form part of these financial statements.

A H WORTH AND COMPANY LIMITED
REGISTERED NUMBER: 00451065

CONSOLIDATED BALANCE SHEET
AS AT 31 MAY 2015

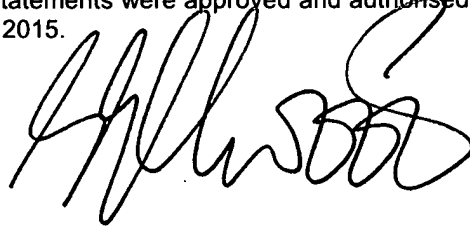
	Note	£000	2015 £000	£000	2014 £000
FIXED ASSETS					
Intangible assets	10		2,550		3,020
Tangible assets	11		13,340		14,123
Investment property	12		1,915		1,915
Investments	13		898		20
Investments in joint ventures					
-Share of gross assets		1,396		-	
-Share of gross liabilities		(1,464)		-	
Share of net assets	13		(68)		-
Investments in associates	13		2,178		1,987
			20,813		21,065
CURRENT ASSETS					
Fixed assets held for sale		-		245	
Stocks	14	6,242		7,314	
Debtors	15	17,713		19,719	
Cash at bank and in hand		17,316		12,472	
			41,271	39,750	
CREDITORS: amounts falling due within one year	16	(21,182)		(25,274)	
NET CURRENT ASSETS			20,089		14,476
TOTAL ASSETS LESS CURRENT LIABILITIES			40,902		35,541
CREDITORS: amounts falling due after more than one year	17		(1,742)		(1,702)
PROVISIONS FOR LIABILITIES					
Deferred tax	18		(10)		-
NET ASSETS			39,150		33,839
CAPITAL AND RESERVES					
Called up share capital	19		56		56
Revaluation reserve	20		4,751		4,751
Capital redemption reserve	20		34		34
Profit and loss account	20		34,309		28,998
SHAREHOLDERS' FUNDS	21		39,150		33,839

A H WORTH AND COMPANY LIMITED

**CONSOLIDATED BALANCE SHEET (continued)
AS AT 31 MAY 2015**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 September 2015.

S J Ellwood
Director

A handwritten signature in black ink, appearing to read 'S J Ellwood', written over the printed name and title.

The notes on pages 15 to 33 form part of these financial statements.

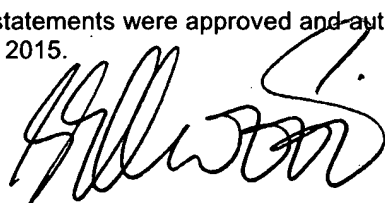
A H WORTH AND COMPANY LIMITED
REGISTERED NUMBER: 00451065

COMPANY BALANCE SHEET
AS AT 31 MAY 2015

	Note	£000	2015 £000	£000	2014 £000
FIXED ASSETS					
Tangible assets	11		4,956		4,811
Investment property	12		1,915		1,915
Investments	13		3,646		3,646
			<u>10,517</u>		<u>10,372</u>
CURRENT ASSETS					
Debtors	15	4,382		2,494	
Cash at bank and in hand		16,345		11,737	
		<u>20,727</u>		<u>14,231</u>	
CREDITORS: amounts falling due within one year	16	(881)		(641)	
NET CURRENT ASSETS			<u>19,846</u>		<u>13,590</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>30,363</u>		<u>23,962</u>
CREDITORS: amounts falling due after more than one year	17		(684)		(842)
PROVISIONS FOR LIABILITIES					
Deferred tax	18		(52)		(12)
NET ASSETS			<u>29,627</u>		<u>23,108</u>
CAPITAL AND RESERVES					
Called up share capital	19		56		56
Revaluation reserve	20		4,751		4,751
Capital redemption reserve	20		34		34
Profit and loss account	20		24,786		18,267
SHAREHOLDERS' FUNDS	21		<u>29,627</u>		<u>23,108</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 September 2015.

S J Ellwood
 Director



The notes on pages 15 to 33 form part of these financial statements.

A H WORTH AND COMPANY LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2015**

	Note	2015 £000	2014 £000
Net cash flow from operating activities	23	10,094	10,417
Dividends received from associates		113	113
Returns on investments and servicing of finance	24	4	(80)
Taxation		(1,582)	(2,342)
Capital expenditure and financial investment	24	(2,579)	(1,183)
Equity dividends paid		(81)	(81)
CASH INFLOW BEFORE FINANCING		5,969	6,844
Financing	24	(249)	(5,706)
INCREASE IN CASH IN THE YEAR		5,720	1,138

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MAY 2015**

	2015 £000	2014 £000
Increase in cash in the year	5,720	1,138
Cash outflow from decrease in debt and lease financing	249	5,706
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	5,969	6,844
Other non-cash changes	-	(47)
MOVEMENT IN NET DEBT IN THE YEAR	5,969	6,797
Net funds at 1 June 2014	8,924	2,127
NET FUNDS AT 31 MAY 2015	14,893	8,924

The notes on pages 15 to 33 form part of these financial statements.

A H WORTH AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold properties and in accordance with applicable accounting standards.

1.2 Going concern

The group's business activities are set out in the report of the directors, together with an overview of the financial performance and the factors likely to affect its future development, performance and position. In addition, the report of the directors include the group's financial risk management objectives.

The group meets its day to day working capital requirements through bank current accounts, and medium term funding through bank term loan facilities. The group is profitable and the directors expect this to continue.

The directors have prepared group profit and cash flow forecasts for the financial period to 31 May 2015 and review trading predictions past this date. These forecasts and projections, taking account of reasonably possible changes in trading environment and performance, show that the group will continue to generate funds and trade profitably.

On this basis the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Basis of consolidation

The financial statements consolidate the accounts of A H Worth and Company Limited and all of its subsidiary undertakings ('subsidiaries').

1.4 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.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

1.6 Tangible fixed assets and depreciation

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

Short-term leasehold property	-	3 - 50 years
Plant and machinery	-	3 - 20 years
Motor vehicles	-	3 - 5 years

A H WORTH AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES (continued)

1.7 Investments

- (i) **Subsidiary undertakings**
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Associated undertakings**
Investments in associates are stated at the amount of the company's share of net assets. The Profit and loss account includes the company's share of the associated companies' profits after taxation using the equity accounting basis.
- (iii) **Other investments**
Investments held as fixed assets are shown at cost less provision for impairment.

1.8 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company and the group.

1.9 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.10 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.11 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

A H WORTH AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES (continued)

1.12 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.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

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.

1.13 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at 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 gains and losses are recognised in the Profit and loss account.

1.14 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred.

1.15 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.

A H WORTH AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

2. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is as follows:

	2015 £000	2014 £000
Produce growing and marketing	141,590	165,611
Steel product sales	4,418	4,285
Other	1,078	1,537
	<u>147,086</u>	<u>171,433</u>

A geographical analysis of turnover is as follows:

	2015 £000	2014 £000
United Kingdom	146,862	171,159
Rest of European Union	224	274
	<u>147,086</u>	<u>171,433</u>

The share of associates' turnover, not included in the note above, for the year ended 31 May 2015 was £13,053k (2014 - £13,402k).

3. OTHER OPERATING INCOME

	2015 £000	2014 £000
Net rents receivable	142	86
Government grants receivable	351	343
	<u>493</u>	<u>429</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2015 £000	2014 £000
Amortisation - intangible fixed assets	470	429
Depreciation of tangible fixed assets:		
- owned by the group	2,076	2,068
- held under finance leases	594	578
Operating lease rentals:		
- plant and machinery	715	710
- other operating leases	1,671	1,653
Difference on foreign exchange	(3)	6
Research and development expenditure written off	156	70
Restructuring costs	397	779
	<u>397</u>	<u>779</u>

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

5. AUDITORS' REMUNERATION

	2015	2014
	£000	£000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	16	16
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts - rest of group	49	54
All other non-audit services not included above	10	20
	<u> </u>	<u> </u>

6. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015	2014
	£000	£000
Wages and salaries	20,227	21,068
Social security costs	2,148	2,004
Other pension costs	574	591
	<u> </u>	<u> </u>
	22,949	23,663
	<u> </u>	<u> </u>

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

	2015	2014
	No.	No.
Administration	170	193
Production and sales staff	615	650
	<u> </u>	<u> </u>
	785	843
	<u> </u>	<u> </u>

7. DIRECTORS' REMUNERATION

	2015	2014
	£000	£000
Remuneration	717	609
	<u> </u>	<u> </u>
Company pension contributions to defined contribution pension schemes	86	41
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 3 directors (2014 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £327k (2014 - £242k).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £41k (2014 - £22k).

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

8. INTEREST PAYABLE

	2015	2014
	£000	£000
On bank loans and overdrafts	86	86
On other loans	69	257
	<u>155</u>	<u>343</u>

9. TAXATION

	2015	2014
	£000	£000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	1,580	2,031
Adjustments in respect of prior periods	(76)	(76)
	<u>1,504</u>	<u>1,955</u>
Share of associates' current tax	67	-
	<u>1,571</u>	<u>1,955</u>
Deferred tax (see note 18)		
Origination and reversal of timing differences	35	(71)
	<u>1,606</u>	<u>1,884</u>

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

9. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.83% (2014 - 22.67%). The differences are explained below:

	2015	2014
	£000	£000
Profit on ordinary activities before tax	6,998	6,353
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.83% (2014 - 22.67%)	1,458	1,440
Effects of:		
Fixed asset differences	236	337
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	71	110
Capital allowances for year in excess of depreciation	(45)	172
Adjustments to tax charge in respect of prior periods	(76)	(76)
Short term timing difference leading to an increase (decrease) in taxation	(1)	7
Non-taxable income	(24)	(5)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(10)	(7)
Unrelieved tax losses carried forward	-	2
Other differences leading to an increase (decrease) in the tax charge	(52)	(25)
Group profits eliminated on consolidation	14	-
Current tax charge for the year (see note above)	1,571	1,955

10. INTANGIBLE FIXED ASSETS

Group	Goodwill	Negative goodwill	Total
Cost	£000	£000	£000
At 1 June 2014 and 31 May 2015	4,546	(235)	4,311
Amortisation			
At 1 June 2014	1,526	(235)	1,291
Charge for the year	470	-	470
At 31 May 2015	1,996	(235)	1,761
Net book value			
At 31 May 2015	2,550	-	2,550
At 31 May 2014	3,020	-	3,020

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

11. TANGIBLE FIXED ASSETS

Group	Land and buildings £000	Plant and machinery £000	Motor vehicles £000	Total £000
Cost or valuation				
At 1 June 2014	16,216	25,252	822	42,290
Additions	203	1,673	88	1,964
Transfers intra group	164	-	-	164
Disposals	-	(1,896)	(160)	(2,056)
At 31 May 2015	<u>16,583</u>	<u>25,029</u>	<u>750</u>	<u>42,362</u>
Depreciation				
At 1 June 2014	9,307	18,226	634	28,167
Charge for the year	461	2,129	80	2,670
Transfers intra group	162	-	-	162
On disposals	-	(1,846)	(131)	(1,977)
At 31 May 2015	<u>9,930</u>	<u>18,509</u>	<u>583</u>	<u>29,022</u>
Net book value				
At 31 May 2015	<u>6,653</u>	<u>6,520</u>	<u>167</u>	<u>13,340</u>
At 31 May 2014	<u>6,909</u>	<u>7,026</u>	<u>188</u>	<u>14,123</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2015 £000	2014 £000
Plant and machinery	<u>1,647</u>	<u>1,618</u>

Cost or valuation at 31 May 2015 is as follows:

Group	Land and buildings £000
At cost	13,496
At valuation:	
Revaluation by the board of directors in November 1996 at open market value with vacant possession	3,087
	<u>16,583</u>

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

11. TANGIBLE FIXED ASSETS (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

Group	2015 £000	2014 £000
Cost	150	150
Accumulated depreciation	-	-
Net book value	150	150

Company	Land and buildings £000	Plant and machinery £000	Motor vehicles £000	Total £000
Cost or valuation				
At 1 June 2014	5,228	295	12	5,535
Additions	203	6	33	242
Disposals	-	-	(12)	(12)
At 31 May 2015	5,431	301	33	5,765
Depreciation				
At 1 June 2014	630	82	12	724
Charge for the year	71	21	5	97
On disposals	-	-	(12)	(12)
At 31 May 2015	701	103	5	809
Net book value				
At 31 May 2015	4,730	198	28	4,956
At 31 May 2014	4,598	213	-	4,811

Cost or valuation at 31 May 2015 is as follows:

Company	Land and buildings £000
At cost	2,344
At valuation:	
Revaluation by the board of directors in November 1996 at open market value with vacant possession	3,087
	5,431

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

11. TANGIBLE FIXED ASSETS (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2015	2014
Company	£000	£000
Cost	150	150
Accumulated depreciation	-	-
	<hr/>	<hr/>
Net book value	150	150
	<hr/> <hr/>	<hr/> <hr/>

12. INVESTMENT PROPERTY

Group	Freehold investment property £000
Valuation	
At 1 June 2014 and 31 May 2015	1,915
	<hr/> <hr/>

The 2014 valuations were made by Bidwells, a member of the Royal Institute of Chartered Surveyors, on an open market value for existing use basis.

Company	Freehold investment property £000
Valuation	
At 1 June 2014 and 31 May 2015	1,915
	<hr/> <hr/>

The 2014 valuations were made by Bidwells, a member of the Royal Institute of Chartered Surveyors, on an open market value for existing use basis.

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

13. FIXED ASSET INVESTMENTS

Group	Investments in associates £000	Other fixed asset investments £000	Investment in joint ventures £000	Loans to joint ventures £000	Total £000
Cost or valuation					
At 1 June 2014	2,557	19	-	-	2,576
Additions	-	-	-	879	879
Share of profit/(loss)	261	-	(68)	-	193
At 31 May 2015	2,818	19	(68)	879	3,648
Impairment					
At 1 June 2014	569	-	-	-	569
Charge for the year	71	-	-	-	71
At 31 May 2015	640	-	-	-	640
Net book value					
At 31 May 2015	2,178	19	(68)	879	3,008
At 31 May 2014	1,988	19	-	-	2,007

Company	Investments in subsidiary companies £000	Investments in associates £000	Other fixed asset investments £000	Total £000
At 1 June 2014 and 31 May 2015	2,828	800	18	3,646
At 31 May 2015	2,828	800	18	3,646
At 31 May 2014	2,828	800	18	3,646

Details of the principal subsidiaries, joint ventures and associates can be found under note number 31.

14. STOCKS

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Raw materials	1,683	2,229	-	-
Work in progress	4,223	4,829	-	-
Finished goods and goods for resale	336	256	-	-
	6,242	7,314	-	-

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

15. DEBTORS

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Trade debtors	15,380	16,681	-	45
Amounts owed by group undertakings	-	-	4,223	2,407
Amounts owed by undertakings in which the company has a participating interest	105	258	-	-
Other debtors	2,228	2,749	159	42
Deferred tax asset (see note 18)	-	31	-	-
	17,713	19,719	4,382	2,494

**16. CREDITORS:
Amounts falling due within one year**

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank loans and overdrafts	225	1,230	155	155
Net obligations under finance leases and hire purchase contracts	455	616	-	-
Trade creditors	13,077	15,436	28	55
Amounts owed to group undertakings	47	-	6	3
Corporation tax	849	926	132	88
Other taxation and social security	611	633	26	25
Other creditors	5,918	6,433	534	315
	21,182	25,274	881	641

**17. CREDITORS:
Amounts falling due after more than one year**

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank loans	839	1,057	684	842
Net obligations under finance leases and hire purchase contracts	903	645	-	-
	1,742	1,702	684	842

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

**17. CREDITORS:
Amounts falling due after more than one year (continued)**

Creditors include amounts not wholly repayable within 5 years as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Repayable by instalments	211	328	211	328

The bank loans and overdrafts are secured; HSBC plc has a debenture over all monies and liabilities whenever and however incurred by the company, whether now or in the future. HSBC plc holds a legal mortgage over land and property title deeds which are owned by A H Worth and Company Limited and the leasehold land and buildings owned by QV Foods Limited. The Agricultural Mortgage Corporation plc holds a legal mortgage over a parcel of land owned by A H Worth and Company Limited.

HSBC plc hold a debenture against group borrowings over all present freehold and leasehold property in Friars 577 Limited. A first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future, together with a first floating charge over all assets and undertakings both present and future dated 28 July 2008.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Between one and five years	903	645	-	-

18. DEFERRED TAXATION

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
At beginning of year	31	(38)	(12)	(20)
(Charge for)/released during the year (P&L)	(41)	69	(40)	8
At end of year	(10)	31	(52)	(12)

The deferred taxation balance is made up as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Fixed asset timing differences	11	2	60	19
Short term timing differences	(1)	29	(8)	(7)
	10	31	52	12

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

19. SHARE CAPITAL

	2015 £000	2014 £000
Allotted, called up and fully paid		
10,000 'A' ordinary shares of £1 each	10	10
45,779 'B' ordinary shares of £1 each	46	46
	<u>56</u>	<u>56</u>

Rights of shares in issue

Each 'A' ordinary share is entitled to 10 votes compared to 1 vote for each 'B' ordinary share. In all other respects the 'A' & 'B' Ordinary shares rank pari passu.

20. RESERVES

	Capital redempt'n reserve £000	Revaluation reserve £000	Profit and loss account £000
Group			
At 1 June 2014	34	4,751	28,998
Profit for the financial year			5,392
Dividends: Equity capital			(81)
At 31 May 2015	<u>34</u>	<u>4,751</u>	<u>34,309</u>
Company			
At 1 June 2014	34	4,751	18,267
Profit for the financial year			6,600
Dividends: Equity capital			(81)
At 31 May 2015	<u>34</u>	<u>4,751</u>	<u>24,786</u>

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

21. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015	2014
	£000	£000
Group		
Opening shareholders' funds	33,839	29,346
Profit for the financial year	5,392	4,469
Dividends (Note 22)	(81)	(81)
Other recognised gains and losses during the year	-	105
	<hr/>	<hr/>
Closing shareholders' funds	39,150	33,839
	<hr/> <hr/>	<hr/> <hr/>
	2015	2014
	£000	£000
Company		
Opening shareholders' funds	23,108	18,267
Profit for the financial year	6,600	4,817
Dividends (Note 22)	(81)	(81)
Other recognised gains and losses during the year	-	105
	<hr/>	<hr/>
Closing shareholders' funds	29,627	23,108
	<hr/> <hr/>	<hr/> <hr/>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the year dealt with in the accounts of the company was £6,600k (2014 - £4,817k).

22. DIVIDENDS

	2015	2014
	£000	£000
'A' ordinary		
	12	12
'B' ordinary		
	69	69
	<hr/>	<hr/>
	81	81
	<hr/> <hr/>	<hr/> <hr/>

On 17 September 2015 the directors proposed a dividend of £81,028.

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £000	2014 £000
Operating profit	6,691	6,203
Amortisation of intangible fixed assets	470	2,033
Depreciation of tangible fixed assets	2,670	2,809
(Profit)/loss on disposal of tangible fixed assets	(185)	101
Government grants	-	(23)
Decrease in stocks	1,317	2,263
Decrease in debtors	1,892	5,114
Decrease in creditors	(2,761)	(8,083)
Net cash inflow from operating activities	10,094	10,417

24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £000	2014 £000
Returns on investments and servicing of finance		
Interest received	160	244
Interest paid	(156)	(156)
Hire purchase interest	-	(168)
Net cash inflow/(outflow) from returns on investments and servicing of finance	4	(80)

	2015 £000	2014 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,964)	(1,623)
Sale of tangible fixed assets	264	440
New loans to joint ventures	(879)	-
Net cash outflow from capital expenditure	(2,579)	(1,183)

	2015 £000	2014 £000
Financing		
Repayment of loans	(347)	(4,673)
Repayment of other loans	-	(1,033)
New finance leases	98	-
Net cash outflow from financing	(249)	(5,706)

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

25. ANALYSIS OF CHANGES IN NET FUNDS

	1 June 2014 £000	Cash flow £000	Other non-cash changes £000	31 May 2015 £000
Cash at bank and in hand	12,472	4,844	-	17,316
Bank overdraft	(876)	876	-	-
	<u>11,596</u>	<u>5,720</u>	<u>-</u>	<u>17,316</u>
Debt:				
Debts due within one year	(970)	249	41	(680)
Debts falling due after more than one year	(1,702)	-	(41)	(1,743)
	<u>(1,702)</u>	<u>-</u>	<u>(41)</u>	<u>(1,743)</u>
Net funds	<u><u>8,924</u></u>	<u><u>5,969</u></u>	<u><u>-</u></u>	<u><u>14,893</u></u>

26. CAPITAL COMMITMENTS

At 31 May 2015 the group and company had capital commitments as follows:

	<u>Group</u>		<u>Company</u>	
	2015 £000	2014 £000	2015 £000	2014 £000
Contracted for but not provided in these financial statements	<u>289</u>	<u>365</u>	<u>-</u>	<u>-</u>

27. PENSION COMMITMENTS

The group has a group personal pension plan as the vehicle for delivering future service pension benefits. Although this is outside the occupational pension regime it is akin in terms of benefit delivery to a defined contribution scheme. The pension cost charge represents the contributions made to the individual personal pension plans and amounts to £574k (2014 - £591k).

28. OPERATING LEASE COMMITMENTS

At 31 May 2015 the group had annual commitments under non-cancellable operating leases as follows:

	<u>Land and buildings</u>		<u>2015 £000</u>	<u>Other 2014 £000</u>
	2015 £000	2014 £000		
Group				
Expiry date:				
Within 1 year	-	-	93	50
Between 2 and 5 years	237	170	500	174
After more than 5 years	706	673	-	-
	<u><u>706</u></u>	<u><u>673</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

A H WORTH AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

29. OTHER FINANCIAL COMMITMENTS

At 31 May 2015 the company had a commitment to purchase foreign currency amounting to €2,367,000 and \$188,000 (2014 - €2,000,000 and \$Nil) at various euro and US dollar rates within the next year. The fair value of the commitment at the year end was £71,683 (2014 - £18,990).

30. RELATED PARTY TRANSACTIONS

Parent company

The company has taken advantage of the exemptions from disclosure given within Financial Reporting Standard number 8 of the transactions with its wholly owned subsidiary undertakings for the year as these have been consolidated within these accounts.

Group undertakings

During the year the group sold goods and services to Manor Fresh Limited, an associate of the parent company amounting to £1,998,451 (2014 - £2,430,315) and purchased goods amounting to £234,176 (2014 - £628,562). All their sales and purchases were on a normal commercial basis. At the year end the group owed Manor Fresh Limited £Nil (2014 - £193,022) and Manor Fresh Limited owed the group £104,025 (2014 - £189,612).

D R Worth is a director of Holbeach Marsh Co-operative Limited. During the year the group made sales to Holbeach March Co-operative Limited of £184,519 (2014 - £191,797). At the year end Holbeach Marsh Co-operative Limited was owed £Nil (2014 - £840) by the group.

D R Worth is a director of Holbeach Biogas Limited. During the year the group made sales of £413,091 (2014 - £274,878) and purchased goods of £Nil (2014 - £281,139). All sales and purchases were on a normal commercial basis. At year end Holbeach Biogas Limited owed the group £13,179 (2014 - £74,927).

During the year the group made payments of £6,305 (2014 - £4,444) to HUB Rural Limited for consultancy work. There were no balances owing or due from HUB Rural Limited at the year end. H Baker, a director of Worth Farms Limited, is a director of HUB Rural Limited.

During the year the group made payments of £20,609 (2014 - £Nil) to E S Power (a director of the company) for consultancy work. There were no balances owing or due from E S Power at the year end.

During the year the company made payments of £68,607 (2014 - £80,436) to SLW Property Services Limited for residential property management and general administration services. SLW Property Services Ltd is owned and controlled by the wife of D R Worth (a director of the company).

M O'Driscoll is a trustee of the company Employee Benefit Trust.

Dividends were paid to the directors and their spouses at the following amounts during the year:

	2015 £000	2014 £000
D R Worth	6	6
S T Worth	6	6

A H WORTH AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2015**

31. PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

a. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
QV Foods Limited	England & Wales	100	Potato prepacking
QV Limited	England & Wales	100	Dormant
Europa Produce Limited	England & Wales	100	Dormant
Fresh Approach Produce Limited	England & Wales	100	Dormant
Pseedco Limited	Scotland	100	Dormant
Greyfriars (UK) Limited	England & Wales	100	Sale of fresh and prepared produce
AHW (Operating) Co Limited	England & Wales	100	Holding company
Worth Farms Limited	England & Wales	100	Farming
A H Worth (Farms) Limited	England & Wales	100	Dormant
A H Worth (Fleet) Limited	England & Wales	100	Dormant
Teknomek Holdings Limited	England & Wales	100	Dormant
Teknomek Limited	England & Wales	100	Equipment manufacture
Hygienox Limited	England & Wales	100	Dormant
Kubik Limited	England & Wales	100	Dormant
Friars 577 Limited	England & Wales	100	Holding company

b. Principal joint ventures

Company name	Country	Percentage Shareholding	Description
Anglia Growing Partnership Limited	England & Wales	50	Sale of fresh produce

c. Principal associates

Company name	Country	Percentage Shareholding	Description
TLC Potatoes Limited	Scotland	25	Propagation of seed potatoes
Bakkavor QV Limited	England & Wales	45	Holding company
Manor Fresh Limited*	England & Wales	22.5	Potato prepacking

Bakkavor QV Limited prepares accounts to 31 December each year. The group accounts incorporate Bakkavor QV Limited group transactions and balances to 31 May 2015 as an associated undertaking based on statutory accounts to 31 December 2014 and management accounts for the period to 31 May 2015 together with the £1,423,058 goodwill arising on the acquisition of 50% of Manor Fresh Limited by Bakkavor QV Limited. This goodwill is amortised over the estimated life of 20 years.

All other companies report to 31 May except TLC Potatoes Limited which reports to 31 October.

* The group's interest in Manor Fresh Limited is held by Bakkavor QV Limited.