

Company Registration No. 03169637 (England and Wales)

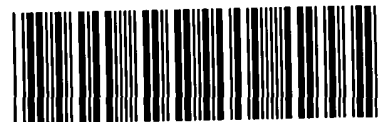
**SPECIALITY BREADS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**PAGES FOR FILING WITH REGISTRAR**

FRIDAY



\*L6G0SYQ8\*

L17

29/09/2017

#323

COMPANIES HOUSE

# **SPECIALITY BREADS LIMITED**

## **COMPANY INFORMATION**

---

<b>Directors</b>	Mr S Cannell Mr S A Shingleton Mr F A Markland	(Appointed 5 September 2016) (Appointed 3 January 2017)
<b>Secretary</b>	Empyraen Secretaries Limited	
<b>Company number</b>	03169637	
<b>Registered office</b>	Unit J2, Channel Road Westwood Industrial Estate Margate Kent CT9 4JS	
<b>Auditor</b>	MHA Carpenter Box 2 Peveril Court 6-8 London Road Crawley West Sussex RH10 8JE	
<b>Business address</b>	Unit J2, Channel Road Westwood Industrial Estate Margate Kent CT9 4JS	

---

# **SPECIALITY BREADS LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Statement of financial position	1
Notes to the financial statements	2 - 6

---

# SPECIALITY BREADS LIMITED

## STATEMENT OF FINANCIAL POSITION

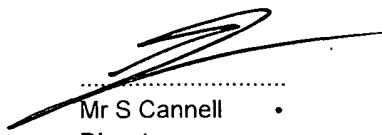
AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Property, plant and equipment	3		2,018,879		2,071,668
<b>Current assets</b>					
Inventories		211,796		268,016	
Trade and other receivables	4	1,978,647		1,413,276	
Cash at bank and in hand		288,411		158,048	
		<u>2,478,854</u>		<u>1,839,340</u>	
<b>Current liabilities</b>	5	<u>(755,338)</u>		<u>(547,455)</u>	
<b>Net current assets</b>			1,723,516		1,291,885
<b>Total assets less current liabilities</b>			<u>3,742,395</u>		<u>3,363,553</u>
<b>Non-current liabilities</b>	6		(457,040)		(685,391)
<b>Provisions for liabilities</b>			<u>(102,900)</u>		<u>(278,727)</u>
<b>Net assets</b>			<u>3,182,455</u>		<u>2,399,435</u>
<b>Equity</b>					
Called up share capital			245,000		245,000
Retained earnings			<u>2,937,455</u>		<u>2,154,435</u>
<b>Total equity</b>			<u>3,182,455</u>		<u>2,399,435</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 26/09/17, and are signed on its behalf by:

  
Mr S Cannell  
Director

Company Registration No. 03169637

# **SPECIALITY BREADS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

---

### **1 Accounting policies**

#### **Company information**

Speciality Breads Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit J2, Channel Road, Westwood Industrial Estate, Margate, Kent, CT9 4JS.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Revenue**

Revenue is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts.

#### **1.4 Property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold property	25% straight line
Plant and machinery	20% and 10% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	33% and 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.5 Inventories**

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

#### **1.6 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts.

# **SPECIALITY BREADS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

---

### **1 Accounting policies**

**(Continued)**

#### **1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from related parties. Debt instruments like loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method; Debt instruments that are payable or receivable within one year are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity. Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

#### **1.8 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

All equity shares have been called up, allotted and fully paid.

#### **1.9 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year.

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# SPECIALITY BREADS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 1 Accounting policies

(Continued)

#### 1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 78 (2015 - 69).

### 3 Property, plant and equipment

	Leasehold property	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2016	1,018,031	2,841,582	356,196	85,779	4,301,588
Additions	226,891	235,774	21,594	51,350	535,609
At 31 December 2016	1,244,922	3,077,356	377,790	137,129	4,837,197
<b>Depreciation and impairment</b>					
At 1 January 2016	343,932	1,618,573	232,888	34,527	2,229,920
Depreciation charged in the year	163,014	348,873	43,655	32,856	588,398
At 31 December 2016	506,946	1,967,446	276,543	67,383	2,818,318
<b>Carrying amount</b>					
At 31 December 2016	737,976	1,109,910	101,247	69,746	2,018,879
At 31 December 2015	674,098	1,223,009	123,309	51,252	2,071,668

# SPECIALITY BREADS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 4 Trade and other receivables

	2016	2015
	£	£
Amounts falling due within one year:		
Trade receivables	857,305	790,767
Amounts due from group undertakings	1,011,468	537,342
Other receivables	109,874	85,167
	<u>1,978,647</u>	<u>1,413,276</u>

### 5 Current liabilities

	2016	2015
	£	£
Trade payables	205,114	150,060
Corporation tax	196,079	34,100
Other taxation and social security	40,384	25,559
Other payables	313,761	337,736
	<u>755,338</u>	<u>547,455</u>

Included within other payables above is an amount of £228,351 (2015 - £233,268) which relates to finance leases. Finance lease liabilities are secured on the asset to which they relate.

### 6 Non-current liabilities

	2016	2015
	£	£
Other payables	<u>457,040</u>	<u>685,391</u>

The other payables relate to finance lease liabilities.

### 7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Tony Summers BA FCA.

The auditor was MHA Carpenter Box.

### 8 Financial commitments, guarantees and contingent liabilities

The company was included in a cross guarantee with companies under common control. The maximum liability for the company with regard to the cross guarantee is £8,471,754 (2015 - £5,568,042).



# **SPECIALITY BREADS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

---

### **9 Operating lease commitments**

#### **Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2016	2015
£	£
7,140	-
<u>7,140</u>	<u>-</u>

The company leases properties from connected companies and its parent company. The leases are not terminable at any time by either party other than by mutual agreement. The company has an annual obligation of £221,595 (2015 - £221,595) with regard to these leases.

### **10 Related party transactions**

During the year, the company made purchases of £91,626 (2015 - £69,124) from Ferryspeed (C.I.) Limited, a company under common control.

### **11 Parent company**

The parent company is Central Restaurant and Catering Company Limited incorporated in Jersey.

The ultimate controlling party is R S Markland by virtue of the shares held in the parent company.