

**REGISTERED NUMBER: 00220178 (England and Wales)**

**AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019  
FOR  
GERALD MCDONALD (HERBS & SPICES) LTD**

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FOR THE YEAR ENDED 30 JUNE 2019**

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**GERALD MCDONALD (HERBS & SPICES) LTD**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 JUNE 2019**

<b>DIRECTORS:</b>	G A McDonald S D Crawford
<b>REGISTERED OFFICE:</b>	Cranes Farm Road Basildon Essex SS14 3GT
<b>REGISTERED NUMBER:</b>	00220178 (England and Wales)
<b>SENIOR STATUTORY AUDITOR:</b>	T P Curtis
<b>INDEPENDENT AUDITORS:</b>	Barrow LLP Statutory Auditor Chartered Accountants Jackson House Station Road Chingford London E4 7BU
<b>BANKER:</b>	Barclays Bank Plc Leicester Leicestershire LE87 2BB

**BALANCE SHEET**  
**30 JUNE 2019**

	Notes	30.6.19 £	30.6.18 £
<b>FIXED ASSETS</b>			
Tangible assets	5	10,785	12,798
<b>CURRENT ASSETS</b>			
Stocks		530,884	384,698
Debtors	6	143,534	284,820
Cash at bank		<u>823,774</u>	<u>499,260</u>
		1,498,192	1,168,778
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>(745,490)</u>	<u>(422,624)</u>
<b>NET CURRENT ASSETS</b>		<u>752,702</u>	<u>746,154</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>763,487</u>	<u>758,952</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	10,826	10,826
Capital redemption reserve		1,674	1,674
Retained earnings		<u>750,987</u>	<u>746,452</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>763,487</u>	<u>758,952</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 14 February 2020 and were signed on its behalf by:

S D Crawford - Director

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019

1. **STATUTORY INFORMATION**

Gerald McDonald (Herbs & Spices) Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Some of the items within these financial statements have been reclassified to improve the comparability, reliability and relevance of the financial statements.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

The company operates one principal area of activity, that of the importation, manufacturing and distribution of spices. The company also operates within three geographical markets, the United Kingdom, Rest of Europe and Rest of the World.

The following criteria must also be met before revenue is recognised:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 JUNE 2019

3. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation methods, useful lives and residual values are reviewed should there be an indication of a significant change in expectation of any tangible fixed assets ability to generate future economic benefit.

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write each asset down to its estimated residual value over its expected useful life. Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant & machinery - 10% on cost

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow moving items.

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instruments.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes, in effect, a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**3. ACCOUNTING POLICIES - continued****Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**4. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 47 (2018 - 53) .

**5. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 July 2018	
and 30 June 2019	<u>373,723</u>
<b>DEPRECIATION</b>	
At 1 July 2018	360,925
Charge for year	<u>2,013</u>
At 30 June 2019	<u>362,938</u>
<b>NET BOOK VALUE</b>	
At 30 June 2019	<u>10,785</u>
At 30 June 2018	<u>12,798</u>

The directors have undertaken an impairment review, which takes into account future cash flows. This exercise has confirmed the "value in use" supports the continued recognition of these assets, with sufficient headroom to accommodate any reasonably foreseeable events or changes in circumstances.

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.19 £	30.6.18 £
Trade debtors	143,534	283,542
Other debtors	<u>-</u>	<u>1,278</u>
	<u>143,534</u>	<u>284,820</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.19	30.6.18
	£	£
Trade creditors	119,200	110,303
Amounts owed to group undertakings	623,434	309,742
Taxation and social security	1,032	1,705
Other creditors	1,824	874
	<u>745,490</u>	<u>422,624</u>

Amounts owed to group undertakings are all unsecured repayable on demand, and non-interest bearing.

**8. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			30.6.19	30.6.18
Number:	Class:	Nominal value:	£	£
250	Ordinary	£1	250	250
3,076	4.2% First cumulative preference shares	£1	3,076	3,076
7,500	4.2% Second cumulative preference shares	£1	7,500	7,500
			<u>10,826</u>	<u>10,826</u>

The parent has waived its right to receive dividends on the cumulative preference shares.

**9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

T P Curtis (Senior Statutory Auditor)  
for and on behalf of Barrow LLP

**10. ULTIMATE CONTROLLING PARTY**

The controlling party is Gerald McDonald & Company Limited (Parent Company).

The ultimate controlling party is G A McDonald.

G A McDonald is deemed to be the ultimate controlling party by virtue of his major shareholdings in the group and company.

Gerald McDonald & Company Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 30 June 2019. The consolidation financial statements of Gerald McDonald & Company Limited are available from:

Cranes Farm Road  
Basildon  
Essex  
SS14 3GT

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