
PERCY INGLE BAKERIES LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
30 JUNE 2004**



PERCY INGLE BAKERIES LIMITED

COMPANY INFORMATION

DIRECTORS	P Ingle Esq Mrs L F Ingle D P Ingle Esq J Darby Esq P D Ingle Esq
SECRETARY	M Ingle
COMPANY NUMBER	584236
REGISTERED OFFICE	210 Church Road London E10 7JQ
AUDITORS	Barnes Roffe LLP Chartered Accountants Registered Auditors Leytonstone House London E11 1HR

PERCY INGLE BAKERIES LIMITED

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PERCY INGLE BAKERIES LIMITED

DIRECTORS' REPORT For the year ended 30 June 2004

The directors present their report and the financial statements for the year ended 30 June 2004.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The company's principal activity during the year was that of producing and retailing bakery and confectionery goods.

The directors are pleased with the results for the year and hope that the results will further improve in the forthcoming year.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £137,686 (2003 - £276,374).

The directors do not recommend the payment of a dividend (2003 - £20,000).

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each		Ordinary Non - voting shares of £1 each	
	<u>30/6/04</u>	<u>1/7/03</u>	<u>30/6/04</u>	<u>1/7/03</u>
P Ingle Esq	-	-	-	-
Mrs L F Ingle	-	-	-	-
D P Ingle Esq	-	-	-	-
J Darby Esq	-	-	50	50
P D Ingle Esq	-	-	-	-

Messers P Ingle and D P Ingle are directors of, and have shareholdings of 25% and 75%, respectively, in the issued share capital of the parent company, Percy Ingle Holdings Limited, which holds 100% of the issued ordinary share capital of Percy Ingle Bakeries Limited.

DISABLED EMPLOYEES

The company's policy is to provide equal opportunities for employees. It has always been the policy of the company to encourage, wherever practical, the employment, training and advancement of disabled persons.

PERCY INGLE BAKERIES LIMITED

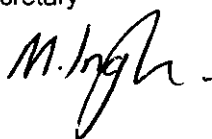
DIRECTORS' REPORT
For the year ended 30 June 2004

AUDITORS

The auditors Barnes Roffe LLP, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on **5 April 2005** and signed on its behalf.

M Ingle
Secretary



PERCY INGLE BAKERIES LIMITED

INDEPENDENT AUDITORS' REPORT TO PERCY INGLE BAKERIES LIMITED
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of Percy Ingle Bakeries Limited for the year ended 30 June 2004 set out on pages 4 to 14, together with the financial statements of the company for the year ended 30 June 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

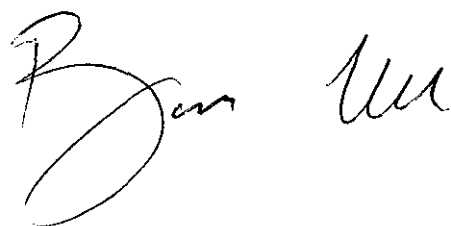
OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 14 are properly prepared in accordance with that provision.

Barnes Roffe LLP
Chartered Accountants
Registered Auditors
Leytonstone House
London E11 1HR

Date:

20.4.05



PERCY INGLE BAKERIES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2004

	Note	2004 £	2003 £
GROSS PROFIT		5,749,400	5,567,759
Selling and distribution costs		(2,582,465)	(2,453,076)
Administrative expenses		(2,935,817)	(2,732,275)
OPERATING PROFIT	2	231,118	382,408
Interest receivable and similar income	5	39	-
Interest payable and similar charges	6	(6,739)	(5,487)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		224,418	376,921
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	7	(86,732)	(100,547)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		137,686	276,374
DIVIDENDS - On equity shares	8	-	(20,000)
RETAINED PROFIT FOR THE FINANCIAL YEAR		137,686	256,374
RETAINED PROFIT BROUGHT FORWARD		703,769	447,395
RETAINED PROFIT CARRIED FORWARD		£ 841,455	£ 703,769

All amounts relate to continuing operations.

There were no recognised gains and losses for 2004 or 2003 other than those included in the profit and loss account.

The notes on pages 7 to 14 form part of these abbreviated accounts.

PERCY INGLE BAKERIES LIMITED

ABBREVIATED BALANCE SHEET
As at 30 June 2004

	Note	2004	2003
		£	£
FIXED ASSETS			
Tangible assets	9	2,309,690	1,827,531
CURRENT ASSETS			
Stocks	10	106,717	75,000
Debtors	11	321,697	271,597
Cash in hand		3,612	3,694
		<u>432,026</u>	<u>350,291</u>
CREDITORS: amounts falling due within one year	12	<u>(1,623,217)</u>	<u>(1,283,741)</u>
NET CURRENT LIABILITIES		<u>(1,191,191)</u>	<u>(933,450)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,118,499</u>	<u>894,081</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	13	<u>(255,744)</u>	<u>(169,012)</u>
NET ASSETS		<u>£ 862,755</u>	<u>£ 725,069</u>
CAPITAL AND RESERVES			
Called up share capital	14	5,682	5,682
Share premium account		15,618	15,618
Profit and loss account		841,455	703,769
SHAREHOLDERS' FUNDS - All Equity	15	<u>£ 862,755</u>	<u>£ 725,069</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved by the board on **5 April 2005** and signed on its behalf.

D P Ingle Esq
Director

DP Ingle

J Darby Esq
Director

J Darby

The notes on pages 7 to 14 form part of these abbreviated accounts.

PERCY INGLE BAKERIES LIMITED

ABBREVIATED CASH FLOW STATEMENT
For the year ended 30 June 2004

	Note	2004 £	2003 £
Net cash flow from operating activities	16	741,448	755,248
Returns on investments and servicing of finance	17	(6,700)	(5,487)
Taxation		(59,135)	(328)
Capital expenditure and financial investment	17	(744,869)	(811,285)
Equity dividends paid		(20,000)	-
CASH OUTFLOW BEFORE FINANCING		(89,256)	(61,852)
Financing	17	-	500
DECREASE IN CASH IN THE YEAR		£ (89,256)	£ (61,352)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 18)
For the year ended 30 June 2004

	2004 £	2003 £
Decrease in cash in the year	(89,256)	(61,352)
MOVEMENT IN NET DEBT IN THE YEAR	(89,256)	(61,352)
Net debt at 1 July 2003	(203,417)	(142,065)
NET DEBT AT 30 JUNE 2004	£ (292,673)	£ (203,417)

The notes on pages 7 to 14 form part of these abbreviated accounts.

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2004

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of value added tax and trade discounts.

1.3 Tangible fixed assets and depreciation

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

Leasehold buildings	-	over the lease term
Plant and machinery	-	10% straight line
Motor vehicles	-	25% reducing balance
Fixtures, fittings and equipment	-	10% straight line

1.4 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks by the directors.

1.6 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.7 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. The assets of the scheme are held separately from those of the company in an independently administered fund.

2. OPERATING PROFIT

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

	2004 £	2003 £
Depreciation of tangible fixed assets:		
- owned by the company	262,750	197,519
Auditors' remuneration	10,000	10,000
Operating lease rentals:		
- plant and machinery	4,168	6,820
- other operating leases	453,393	367,129
(Profit)/loss on disposal of fixed assets	(40)	44,085

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2004

3. STAFF COSTS

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

	2004 £	2003 £
Wages and salaries	3,512,001	3,392,134
Social security costs	240,009	236,869
Other pension costs	23,735	22,676
	<u>£ 3,775,745</u>	<u>£ 3,651,679</u>

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

	2004 No.	2003 No.
Office and management	11	11
Production	60	62
Distribution	222	228
	<u>293</u>	<u>301</u>

4. DIRECTORS' REMUNERATION

	2004 £	2003 £
Aggregate emoluments	<u>£ 80,600</u>	<u>£ 88,933</u>
Company contributions to money purchase pension schemes	<u>£ 5,901</u>	<u>£ 5,902</u>

During the year retirement benefits were accruing to 1 director (2003 - 1) in respect of money purchase pension schemes.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2004 £	2003 £
Other interest receivable	<u>£ 39</u>	<u>£ -</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2004 £	2003 £
On bank overdraft	<u>£ 6,739</u>	<u>£ 5,487</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2004

7. TAXATION

	2004 £	2003 £
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax charge on profits of the year	-	59,135
Adjustments in respect of prior periods	-	328
Total current tax	<u>-</u>	<u>59,463</u>
Deferred tax		
Origination and reversal of timing differences	86,732	41,084
Total deferred tax (see note 13)	<u>86,732</u>	<u>41,084</u>
Tax on profit on ordinary activities	<u>£ 86,732</u>	<u>£ 100,547</u>

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	<u>224,418</u>	<u>376,921</u>
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 30% (2003 - 30%)	67,325	113,076
Effects of:		
Expenses not deductible for tax purposes	5,116	11,645
Capital allowances for period in excess of depreciation	(80,829)	(41,755)
Losses surrendered	8,388	-
Marginal relief	-	(4,481)
Non taxable income received	-	(19,350)
Adjustments to tax charge in respect of prior periods	-	328
Current tax charge for year (see note above)	<u>£ -</u>	<u>£ 59,463</u>

There were no factors that may affect future tax charges.

8. DIVIDENDS

	2004 £	2003 £
On equity shares		
Total dividends proposed	<u>£ -</u>	<u>£ 20,000</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2004

9. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Total
	£	£	£	£	£
Cost					
At 1 July 2003	218,146	1,360,389	320,287	4,203,743	6,102,565
Additions	-	70,566	43,382	643,921	757,869
Disposals	-	-	(34,909)	-	(34,909)
At 30 June 2004	<u>218,146</u>	<u>1,430,955</u>	<u>328,760</u>	<u>4,847,664</u>	<u>6,825,525</u>
Depreciation					
At 1 July 2003	179,712	1,158,515	224,882	2,711,925	4,275,034
Charge for the year	8,249	31,779	28,565	194,157	262,750
On disposals	-	-	(21,949)	-	(21,949)
At 30 June 2004	<u>187,961</u>	<u>1,190,294</u>	<u>231,498</u>	<u>2,906,082</u>	<u>4,515,835</u>
Net book value					
At 30 June 2004	<u>£ 30,185</u>	<u>£ 240,661</u>	<u>£ 97,262</u>	<u>£ 1,941,582</u>	<u>£ 2,309,690</u>
At 30 June 2003	<u>£ 38,434</u>	<u>£ 201,874</u>	<u>£ 95,405</u>	<u>£ 1,491,818</u>	<u>£ 1,827,531</u>

10. STOCKS

	2004 £	2003 £
Raw materials	<u>£ 106,717</u>	<u>£ 75,000</u>

11. DEBTORS

	2004 £	2003 £
Due within one year		
Trade debtors	8,416	7,971
Amounts owed by group undertakings	23,832	21,607
Other debtors	56,797	101,692
Prepayments and accrued income	232,652	140,327
	<u>£ 321,697</u>	<u>£ 271,597</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2004

12. CREDITORS:
Amounts falling due within one year

	2004	2003
	£	£
Bank overdraft	296,285	207,111
Trade creditors	279,948	232,383
Amounts owed to group undertakings	892,788	592,841
Corporation tax	-	59,135
Social security and other taxes	54,083	62,325
Proposed dividend	-	20,000
Other creditors	55,923	52,080
Accruals and deferred income	44,190	57,866
	<u>£ 1,623,217</u>	<u>£ 1,283,741</u>

The bank overdraft facility is secured against certain freehold properties owned by Percy Ingle Services Limited, a fellow subsidiary company.

13. DEFERRED TAXATION

	2004	2003
	£	£
At 1 July 2003	169,012	127,928
Charge for the year	86,732	41,084
	<u>£ 255,744</u>	<u>£ 169,012</u>

The deferred tax provision is made up as follows:

	2004	2003
	£	£
Accelerated capital allowances	<u>£ 255,744</u>	<u>£ 169,012</u>

14. SHARE CAPITAL

	2004	2003
	£	£
Authorised		
6,000 Ordinary shares of £1 each	6,000	6,000
1,000 Ordinary Non - voting shares of £1 each	1,000	1,000
	<u>£ 7,000</u>	<u>£ 7,000</u>
Allotted, called up and fully paid		
5,632 Ordinary shares of £1 each	5,632	5,632
50 Ordinary Non - voting shares of £1 each	50	50
	<u>£ 5,682</u>	<u>£ 5,682</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 30 June 2004

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit for the year	137,686	276,374
Dividends	-	(20,000)
	<u>137,686</u>	<u>256,374</u>
Shares issued during the year	-	50
Share premium on shares issued (net of expenses)	-	450
	<u>137,686</u>	<u>256,874</u>
Opening shareholders' funds	725,069	468,195
Closing shareholders' funds	<u>£ 862,755</u>	<u>£ 725,069</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2004 £	2003 £
Operating profit	231,118	382,408
Depreciation of tangible fixed assets	262,750	197,519
(Profit)/loss on disposal of tangible fixed assets	(40)	44,085
Increase in stocks	(31,717)	-
Increase in debtors	(47,875)	(47,377)
Increase in amounts owed by group undertakings	(2,225)	(2,125)
Increase/(decrease) in creditors	29,490	(122,638)
Increase in amounts owed to group undertakings	299,947	303,376
NET CASH INFLOW FROM OPERATIONS	<u>£ 741,448</u>	<u>£ 755,248</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2004

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2004 £	2003 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	39	-
Interest paid	(6,739)	(5,487)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	£ (6,700)	£ (5,487)
	2004 £	2003 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(757,869)	(813,485)
Sale of tangible fixed assets	13,000	2,200
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	£ (744,869)	£ (811,285)
	2004 £	2003 £
FINANCING		
Issue of ordinary shares	£ -	£ 500

18. ANALYSIS OF CHANGES IN NET DEBT

	1 July 2003 £	Cash flow £	Other non-cash changes £	30 June 2004 £
Cash in hand	3,694	(82)	-	3,612
Bank overdraft	(207,111)	(89,174)	-	(296,285)
NET DEBT	£ (203,417)	£ (89,256)	£ -	£ (292,673)

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2004

19. OPERATING LEASE COMMITMENTS

At 30 June 2004 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2004	2003	2004	2003
	£	£	£	£
Expiry date:				
Within 1 year	-	27,100	-	-
Between 2 and 5 years	36,820	19,000	3,550	3,550
After more than 5 years	464,800	310,750	-	-

20. RELATED PARTY TRANSACTIONS

Transactions with group companies are not disclosed by virtue of the exemption claimed under Financial Reporting Standard 8. The group publishes consolidated accounts.

21. TRANSACTIONS WITH DIRECTORS

At the year end Percy Ingle Bakeries Limited owed DPI Properties Limited £Nil (2003 - £500). DPI Properties Limited is a company controlled by D P Ingle Esq, a director.

During the year a motor vehicle was sold to P D Ingle Esq, a director, for consideration of £13,000 which represented the market value at the date of disposal.

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Percy Ingle Bakeries Limited regards Percy Ingle Holdings Limited as its ultimate parent undertaking, and D P Ingle Esq, a director, as its ultimate controlling party.