
PERCY INGLE BAKERIES LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
30 JUNE 2005**



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

CONTENTS

	Page
Directors' report	1 - 2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Cash flow statement	6
Notes to the abbreviated accounts	7 - 14

PERCY INGLE BAKERIES LIMITED

DIRECTORS' REPORT For the year ended 30 June 2005

The directors present their report and the financial statements for the year ended 30 June 2005.

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 disappointed with the results for the year and hope that the results will further improve in the forthcoming year.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £131,457 (2004 - Profit £137,686).

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>30/6/05</u>	<u>1/7/04</u>	<u>30/6/05</u>	<u>1/7/04</u>
P Ingle Esq	-	-	-	-
Mrs L F Ingle	-	-	-	-
D P Ingle Esq	-	-	-	-
J Darby Esq	-	-	50	50
P D Ingle Esq	-	-	-	-

Messrs 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 2005

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 22 December 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 2005 set out on pages 4 to 14, together with the financial statements of the company for the year ended 30 June 2005 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 those provisions and to report our opinion to you.

BASIS OF OPINION

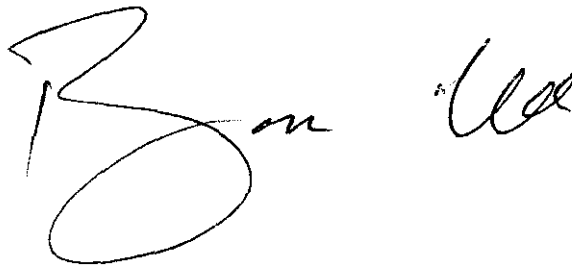
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did 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 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 14 are properly prepared in accordance with those provisions.

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

Date: 25th January 2006.

Two handwritten signatures in black ink. The first signature is large and stylized, appearing to be 'Barnes'. The second signature is smaller and more cursive, appearing to be 'Roffe'.

PERCY INGLE BAKERIES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2005

	Note	2005 £	2004 £
GROSS PROFIT		5,697,858	5,749,400
Selling and distribution costs		(2,595,562)	(2,582,465)
Administrative expenses		(3,190,827)	(2,935,817)
OPERATING (LOSS)/PROFIT	2	(88,531)	231,118
Interest receivable and similar income	5	-	39
Interest payable and similar charges	6	(14,233)	(6,739)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(102,764)	224,418
TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES	7	(28,693)	(86,732)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(131,457)	137,686
DIVIDENDS - On equity shares	8	(16,000)	-
(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR		(147,457)	137,686
RETAINED PROFIT BROUGHT FORWARD		841,455	703,769
RETAINED PROFIT CARRIED FORWARD		£ 693,998	£ 841,455

All amounts relate to continuing operations.

There were no recognised gains and losses for 2005 or 2004 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 2005

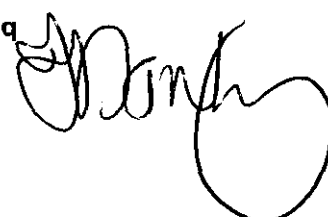
	Note	2005	2004
		£	£
FIXED ASSETS			
Tangible assets	9	2,269,488	2,309,690
CURRENT ASSETS			
Stocks	10	92,134	106,717
Debtors	11	325,322	321,697
Cash in hand		3,580	3,612
		<u>421,036</u>	<u>432,026</u>
CREDITORS: amounts falling due within one year	12	<u>(1,690,789)</u>	<u>(1,623,217)</u>
NET CURRENT LIABILITIES		<u>(1,269,753)</u>	<u>(1,191,191)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>999,735</u>	<u>1,118,499</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	13	(284,437)	(255,744)
NET ASSETS		<u>£ 715,298</u>	<u>£ 862,755</u>
CAPITAL AND RESERVES			
Called up share capital	14	5,682	5,682
Share premium account		15,618	15,618
Profit and loss account		693,998	841,455
SHAREHOLDERS' FUNDS - All Equity	15	<u>£ 715,298</u>	<u>£ 862,755</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 22 December 2005 and signed on its behalf.

D P Ingle Esq
Director



J Darby Esq
Director



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 2005

	Note	2005 £	2004 £
Net cash flow from operating activities	16	333,010	741,448
Returns on investments and servicing of finance	17	(14,233)	(6,700)
Taxation		-	(59,135)
Capital expenditure	17	(278,526)	(744,869)
Equity dividends paid		(16,000)	(20,000)
INCREASE/(DECREASE) IN CASH IN THE YEAR		£ 24,251	£ (89,256)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 18)
For the year ended 30 June 2005

	2005 £	2004 £
Increase/(Decrease) in cash in the year	24,251	(89,256)
MOVEMENT IN NET DEBT IN THE YEAR	24,251	(89,256)
Net debt at 1 July 2004	(292,673)	(203,417)
NET DEBT AT 30 JUNE 2005	£ (268,422)	£ (292,673)

The notes on pages 7 to 14 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2005

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

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:

Land and 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.

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2005

2. OPERATING (LOSS)/PROFIT

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

	2005 £	2004 £
Depreciation of tangible fixed assets:		
- owned by the company	314,585	262,750
Auditors' remuneration	10,000	10,000
Operating lease rentals:		
- plant and machinery	4,168	4,168
- other operating leases	544,023	453,393
Loss/(profit) on disposal of fixed assets	4,143	(40)
	<u> </u>	<u> </u>

3. STAFF COSTS

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

	2005 £	2004 £
Wages and salaries	3,528,923	3,512,001
Social security costs	269,440	240,009
Other pension costs	18,385	23,735
	<u>£ 3,816,748</u>	<u>£ 3,775,745</u>

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

	2005 No.	2004 No.
Office and management	11	11
Production	56	60
Distribution	214	222
	<u>281</u>	<u>293</u>

4. DIRECTORS' REMUNERATION

	2005 £	2004 £
Emoluments	<u>£ 77,888</u>	<u>£ 80,600</u>
Company pension contributions to money purchase pension schemes	<u>£ 5,900</u>	<u>£ 5,901</u>

During the year retirement benefits were accruing to 1 director (2004 - 1) in respect of money purchase pension schemes.

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2005

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2005 £	2004 £
Other interest	£ -	£ 39
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £	2004 £
On bank overdraft	£ 14,233	£ 6,739
	<u> </u>	<u> </u>

7. TAXATION

	2005 £	2004 £
<i>Analysis of tax charge in year</i>		
Deferred tax		
Origination and reversal of timing differences	28,693	86,732
	<u> </u>	<u> </u>
Total deferred tax (see note 13)	28,693	86,732
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	£ 28,693	£ 86,732
	<u> </u>	<u> </u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2005

7. TAXATION (continued)

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK applicable to the company (30%). The differences are explained below:

	2005 £	2004 £
(Loss)/profit on ordinary activities before tax	<u>(102,764)</u>	<u>224,418</u>
(Loss)/profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 30% (2004 - 30%)	(30,829)	67,325
Effects of:		
Expenses not deductible for tax purposes	2,000	5,116
Capital allowances for period in excess of depreciation	(11,661)	(80,829)
Losses surrendered	40,490	8,388
Current tax charge for year (see note above)	<u>£ -</u>	<u>£ -</u>

There were no factors that may affect future tax charges.

8. DIVIDENDS

	2005 £	2004 £
On equity shares		
Total dividends paid	<u>£ 16,000</u>	<u>£ -</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2005

9. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Total
	£	£	£	£	£
Cost					
At 1 July 2004	218,146	1,430,955	328,760	4,847,664	6,825,525
Additions	-	39,333	15,645	223,648	278,626
Disposals	-	-	(37,288)	-	(37,288)
At 30 June 2005	<u>218,146</u>	<u>1,470,288</u>	<u>307,117</u>	<u>5,071,312</u>	<u>7,066,863</u>
Depreciation					
At 1 July 2004	187,961	1,190,294	231,498	2,906,082	4,515,835
Charge for the year	6,072	39,034	24,105	245,374	314,585
On disposals	-	-	(33,045)	-	(33,045)
At 30 June 2005	<u>194,033</u>	<u>1,229,328</u>	<u>222,558</u>	<u>3,151,456</u>	<u>4,797,375</u>
Net book value					
At 30 June 2005	<u>£ 24,113</u>	<u>£ 240,960</u>	<u>£ 84,559</u>	<u>£ 1,919,856</u>	<u>£ 2,269,488</u>
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>

10. STOCKS

	2005 £	2004 £
Raw materials	<u>£ 92,134</u>	<u>£ 106,717</u>

11. DEBTORS

	2005 £	2004 £
Trade debtors	17,968	8,416
Amounts owed by group undertakings	29,657	23,832
Other debtors	71,147	56,797
Prepayments and accrued income	206,550	232,652
	<u>£ 325,322</u>	<u>£ 321,697</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2005

12. CREDITORS:

Amounts falling due within one year

	2005 £	2004 £
Bank overdraft	272,002	296,285
Trade creditors	226,437	279,948
Amounts owed to group undertakings	1,028,395	892,788
Social security and other taxes	55,295	54,083
Other creditors	39,632	55,923
Accruals and deferred income	69,028	44,190
	<u>£ 1,690,789</u>	<u>£ 1,623,217</u>

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

13. DEFERRED TAXATION

	2005 £	2004 £
At 1 July 2004	255,744	169,012
Charge for the year	28,693	86,732
	<u>£ 284,437</u>	<u>£ 255,744</u>
At 30 June 2005		

The deferred tax provision is made up as follows:

	2005 £	2004 £
Accelerated capital allowances	<u>£ 284,437</u>	<u>£ 255,744</u>

14. SHARE CAPITAL

	2005 £	2004 £
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 2005

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2005 £	2004 £
(Loss)/profit for the year	(131,457)	137,686
Dividends	(16,000)	-
	<u>(147,457)</u>	<u>137,686</u>
Opening shareholders' funds	862,755	725,069
Closing shareholders' funds	<u>£ 715,298</u>	<u>£ 862,755</u>

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2005 £	2004 £
Operating (loss)/profit	(88,531)	231,118
Depreciation of tangible fixed assets	314,585	262,750
Loss/(profit) on disposal of tangible fixed assets	4,143	(40)
Decrease/(increase) in stocks	14,583	(31,717)
Decrease/(increase) in debtors	2,200	(47,875)
Increase in amounts owed by group undertakings	(5,825)	(2,225)
(Decrease)/increase in creditors	(43,752)	29,490
Increase in amounts owed to group undertakings	135,607	299,947
NET CASH INFLOW FROM OPERATIONS	<u>£ 333,010</u>	<u>£ 741,448</u>

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

	2005 £	2004 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	-	39
Interest paid	(14,233)	(6,739)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>£ (14,233)</u>	<u>£ (6,700)</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2005

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

	2005 £	2004 £
CAPITAL EXPENDITURE		
Purchase of tangible fixed assets	(278,626)	(757,869)
Sale of tangible fixed assets	100	13,000
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	£ (278,526)	£ (744,869)

18. ANALYSIS OF CHANGES IN NET DEBT

	1 July 2004 £	Cash flow £	Other non-cash changes £	30 June 2005 £
Cash at bank and in hand	3,612	(32)	-	3,580
Bank overdraft	(296,285)	24,283	-	(272,002)
NET DEBT	£ (292,673)	£ 24,251	£ -	£ (268,422)

19. OPERATING LEASE COMMITMENTS

At 30 June 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2005 £	2004 £	Other 2005 £	2004 £
Expiry date:				
Between 2 and 5 years	33,000	36,820	4,168	3,550
After more than 5 years	461,402	464,800	-	-

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. 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.