
PERCY INGLE BAKERIES LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
30 JUNE 2006**

FRIDAY



LD4 *L8KERP29* 142
27/04/2007
COMPANIES HOUSE

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

DIRECTORS' REPORT
For the year ended 30 June 2006

The directors present their report and the financial statements for the year ended 30 June 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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

In determining how amounts are presented within items in the profit and loss account and balance sheet, the directors have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information (section 234ZA (2))

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. Sales increased by 7.3%, generally across the portfolio of shops, and an increase in gross profit margin of 1.7% was achieved through tighter management controls, this despite significant cost increases, especially power costs. The result is an operating profit of £162,238 (2005 - operating loss of £88,531)

The company continued to invest in shop refurbishment during the year with capital expenditure of £601,001

The directors hope that the improvement in the results will continue in the forthcoming year with the opening of a new shop

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £88,448 (2005 - Loss £131,457)

The directors do not recommend the payment of a dividend

PERCY INGLE BAKERIES LIMITED

DIRECTORS' REPORT For the year ended 30 June 2006

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>30/6/06</u>	<u>1/7/05</u>	<u>30/6/06</u>	<u>1/7/05</u>
P Ingle Esq	-	-	-	-
Mrs L F Ingle	-	-	-	-
D P Ingle Esq	-	-	-	-
J Darby Esq	-	-	50	50
P D Ingle Esq	-	-	-	-

ADDITIONAL INFORMATION RE DIRECTORS

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 employees

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 3 April 2007 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 2006 set out on pages 4 to 14, together with the financial statements of the company for the year ended 30 June 2006 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 of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

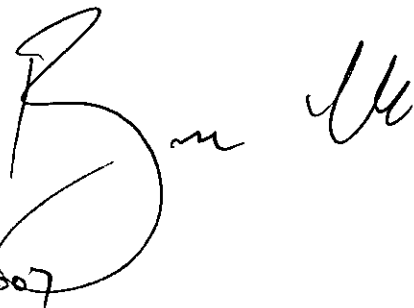
OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

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

Date

26 April 2007



PERCY INGLE BAKERIES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2006

	Note	2006 £	2005 £
GROSS PROFIT		6,174,909	5,697,858
Selling and distribution costs		(2,734,190)	(2,595,562)
Administrative expenses		(3,278,481)	(3,190,827)
OPERATING PROFIT/(LOSS)	2	162,238	(88,531)
Interest receivable and similar income		229	-
Interest payable and similar charges	5	(3,783)	(14,233)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		158,684	(102,764)
TAXATION ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	6	(70,236)	(28,693)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		88,448	(131,457)

All amounts relate to continuing operations

There were no recognised gains and losses for 2006 or 2005 other than those included in the profit and loss account

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

PERCY INGLE BAKERIES LIMITED

ABBREVIATED BALANCE SHEET
As at 30 June 2006

	Note	2006	2005
		£	£
FIXED ASSETS			
Tangible assets	8	2,445,916	2,269,488
CURRENT ASSETS			
Stocks	9	118,968	92,134
Debtors	10	318,696	325,322
Cash in hand		4,069	3,580
		<u>441,733</u>	<u>421,036</u>
CREDITORS amounts falling due within one year	11	<u>(1,751,563)</u>	<u>(1,690,789)</u>
NET CURRENT LIABILITIES		<u>(1,309,830)</u>	<u>(1,269,753)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,136,086</u>	<u>999,735</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	12	(347,340)	(284,437)
NET ASSETS		<u>£ 788,746</u>	<u>£ 715,298</u>
CAPITAL AND RESERVES			
Called up share capital	13	5,682	5,682
Share premium account		15,618	15,618
Profit and loss account	14	767,446	693,998
SHAREHOLDERS' FUNDS - All Equity	15	<u>£ 788,746</u>	<u>£ 715,298</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 3 April 2007 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 financial statements

PERCY INGLE BAKERIES LIMITED

ABBREVIATED CASH FLOW STATEMENT
For the year ended 30 June 2006

	Note	2006 £	2005 £
Net cash flow from operating activities	16	621,659	333,010
Returns on investments and servicing of finance	17	(3,554)	(14,233)
Capital expenditure and financial investment	17	(477,412)	(278,526)
Equity dividends paid		(15,000)	(16,000)
INCREASE IN CASH IN THE YEAR		£ 125,693	£ 24,251

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 18)
For the year ended 30 June 2006

	2006 £	2005 £
Increase in cash in the year	125,693	24,251
MOVEMENT IN NET DEBT IN THE YEAR	125,693	24,251
Net debt at 1 July 2005	(268,422)	(292,673)
NET DEBT AT 30 JUNE 2006	£ (142,729)	£ (268,422)

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

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2006

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 terms of lease
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 on the straight line basis over the lease term

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 2006

2 OPERATING PROFIT/(LOSS)

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

	2006 £	2005 £
Depreciation of tangible fixed assets		
- owned by the company	347,699	314,585
Auditors' remuneration	10,000	10,000
Operating lease rentals		
- plant and machinery	4,168	4,168
- other operating leases	539,715	544,023
(Profit)/loss on disposal of fixed assets	(46,715)	4,143
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2006 £	2005 £
Wages and salaries	3,669,614	3,528,923
Social security costs	266,513	269,440
Other pension costs	18,323	18,385
	<u> </u>	<u> </u>
	£ 3,954,450	£ 3,816,748
	<u> </u>	<u> </u>

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

	2006 No	2005 No
Office and management	11	11
Production	50	56
Distribution	217	214
	<u> </u>	<u> </u>
	278	281
	<u> </u>	<u> </u>

4 DIRECTORS' REMUNERATION

	2006 £	2005 £
Emoluments	£ 54,590	£ 78,808
	<u> </u>	<u> </u>
Company pension contributions to money purchase pension schemes	£ 5,901	£ 5,900
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 1 director (2005 - 1) in respect of money purchase pension schemes

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2006

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2006 £	2005 £
On bank loans and overdrafts	£ 3,783	£ 14,233

6. TAXATION

	2006 £	2005 £
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax charge on profits of the year	7,333	-
Deferred tax		
Origination and reversal of timing differences	62,903	28,693
Total deferred tax (see note 12)	62,903	28,693
Tax on profit on ordinary activities	£ 70,236	£ 28,693

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 (19%). The differences are explained below

	2006 £	2005 £
Profit/(loss) on ordinary activities before tax	158,684	(102,764)
Profit/(loss) on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 19% (2005 - 30%)	30,150	(30,829)
Effects of:		
Expenses not deductible for tax purposes	1,144	2,000
Capital allowances for period in excess of depreciation	(13,867)	(11,661)
Profit on sale of fixed assets	(8,875)	-
Losses utilised	(1,219)	40,490
Current tax charge for year (see note above)	£ 7,333	£ -

There were no factors that may affect future tax charges

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2006

7 DIVIDENDS

	2006 £	2005 £
On equity shares		
Total dividends paid	£ 15,000	£ 16,000

8. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery	Motor vehicles	Fixtures, fittings and equipment	Total
	£	£	£	£	£
Cost					
At 1 July 2005	218,146	1,470,288	307,117	5,071,312	7,066,863
Additions	-	114,271	43,610	443,120	601,001
Disposals	-	(139,609)	(10,100)	(420,861)	(570,570)
At 30 June 2006	218,146	1,444,950	340,627	5,093,571	7,097,294
Depreciation					
At 1 July 2005	194,033	1,229,328	222,558	3,151,456	4,797,375
Charge for the year	6,073	44,825	27,318	269,483	347,699
On disposals	-	(129,844)	(8,302)	(355,550)	(493,696)
At 30 June 2006	200,106	1,144,309	241,574	3,065,389	4,651,378
Net book value					
At 30 June 2006	£ 18,040	£ 300,641	£ 99,053	£ 2,028,182	£ 2,445,916
At 30 June 2005	£ 24,113	£ 240,960	£ 84,559	£ 1,919,856	£ 2,269,488

9 STOCKS

	2006 £	2005 £
Raw materials	£ 118,968	£ 92,134

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2006

10. DEBTORS

	2006 £	2005 £
Trade debtors	39,925	17,968
Amounts owed by group undertakings	34,803	29,657
Other debtors	47,228	71,147
Prepayments and accrued income	196,740	206,550
	<u>£ 318,696</u>	<u>£ 325,322</u>

11 CREDITORS:
Amounts falling due within one year

	2006 £	2005 £
Bank loans and overdrafts	146,798	272,002
Trade creditors	213,839	226,437
Amounts owed to group undertakings	1,161,776	1,028,395
Corporation tax	7,333	-
Social security and other taxes	63,535	55,295
Other creditors	29,220	39,632
Accruals and deferred income	129,062	69,028
	<u>£ 1,751,563</u>	<u>£ 1,690,789</u>

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

12. DEFERRED TAXATION

	2006 £	2005 £
At 1 July 2005	284,437	255,744
Charge for the year	62,903	28,693
	<u>£ 347,340</u>	<u>£ 284,437</u>

The deferred tax provision is made up as follows

	2006 £	2005 £
Accelerated capital allowances	<u>£ 347,340</u>	<u>£ 284,437</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2006

13 SHARE CAPITAL

	2006 £	2005 £
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>

14 RESERVES

Profit and loss account	£
At 1 July 2005	693,998
Profit on ordinary activities after taxation	88,448
Dividend (Note 7)	(15,000)
	<u>£ 767,446</u>
At 30 June 2006	

15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Profit/(loss) for the year	88,448	(131,457)
Dividends	(15,000)	(16,000)
	<u>73,448</u>	<u>(147,457)</u>
Opening shareholders' funds	715,298	862,755
Closing shareholders' funds	<u>£ 788,746</u>	<u>£ 715,298</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2006

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating profit/(loss)	162,238	(88,531)
Depreciation of tangible fixed assets	347,699	314,585
(Profit)/loss on disposal of tangible fixed assets	(46,715)	4,143
(Increase)/decrease in stocks	(26,834)	14,583
Decrease in debtors	11,770	2,200
Increase in amounts owed by group undertakings	(5,146)	(5,825)
Increase/(decrease) in creditors	45,266	(43,752)
Increase in amounts owed to group undertakings	133,381	135,607
NET CASH INFLOW FROM OPERATIONS	£ 621,659	£ 333,010

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

	2006 £	2005 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	229	-
Interest paid	(3,783)	(14,233)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	£ (3,554)	£ (14,233)
	2006 £	2005 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(601,001)	(278,626)
Disposal of tangible fixed assets	123,589	100
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	£ (477,412)	£ (278,526)

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2006

18. ANALYSIS OF CHANGES IN NET DEBT

	1 July 2005	Cash flow	Other non-cash changes	30 June 2006
	£	£	£	£
Cash at bank and in hand	3,580	489	-	4,069
Bank overdraft	(272,002)	125,204	-	(146,798)
NET DEBT	£ (268,422)	£ 125,693	£ -	£ (142,729)

19 PENSION COMMITMENTS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company in respect of the year. During the year the total contributions made were £18,323 (2005 - £18,385)

20 OPERATING LEASE COMMITMENTS

At 30 June 2006 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2006	2005	2006	2005
	£	£	£	£
Expiry date				
Between 2 and 5 years	27,500	33,000	4,168	4,168
After more than 5 years	487,175	461,402	-	-

21. 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.

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.