
PERCY INGLE BAKERIES LIMITED

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2009

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PERCY INGLE BAKERIES LIMITED

COMPANY INFORMATION

DIRECTORS	D P Ingle Esq J Darby Esq P D Ingle Esq M Ingle Esq
COMPANY SECRETARY	M Ingle
COMPANY NUMBER	584236
REGISTERED OFFICE	210 Church Road London E10 7JQ
AUDITOR	Barnes Roffe LLP Chartered Accountants Statutory Auditor Leytonstone House Leytonstone London E11 1GA

PERCY INGLE BAKERIES LIMITED

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PERCY INGLE BAKERIES LIMITED

DIRECTORS' REPORT For the year ended 30 June 2009

The directors present their report and the financial statements for the year ended 30 June 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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

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

BUSINESS REVIEW

The results again reflect a challenging year with continuing increases in global wheat prices and rises in ingredient prices generally together with costs of production, resulting in an operating loss of £125,428 (2008 - £374,319).

The directors took further action to implement efficiencies in production in the second half of the year to mitigate the impact of the price increases whilst maintaining a competitive retail pricing policy, and this resulted in returning the gross profit margin to a satisfactory level. Further cost reductions have been made following the year end, the savings of which are now being realised.

The company continued to invest in shop refurbishment and bakery handling equipment during the year with capital expenditure in excess of £1m.

The retail market remains very competitive. However the directors believe that the investment program in recent years has positioned the company well for the next financial year.

The loss for the year, after taxation, amounted to £66,815 (2008 - loss £312,398).

PERCY INGLE BAKERIES LIMITED

DIRECTORS' REPORT For the year ended 30 June 2009

DIRECTORS

The directors who served during the year were

D P Ingle Esq
J Darby Esq
P D Ingle Esq
M Ingle Esq

PRINCIPAL RISKS AND UNCERTAINTIES

Throughout its operations the company faces various internal and external risks. These include operational risks, market risks, legislation and regulatory risk, and environmental, health and safety risks, all of which could conceivably have an impact on the company's long term performance. The company manages the risks inherent in its operations in order to mitigate exposure to all forms of risks, where practical.

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.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 30 March 2010 and signed on its behalf

M Ingle
Secretary



PERCY INGLE BAKERIES LIMITED

**INDEPENDENT AUDITOR'S REPORT TO PERCY INGLE BAKERIES LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of Percy Ingle Bakeries Limited for the year ended 30 June 2009 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. 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 Auditor's 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

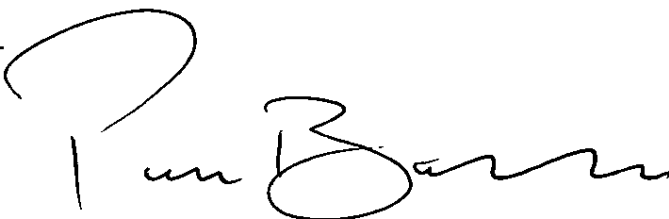
The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 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 are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts on pages 4 to 16 have been properly prepared in accordance with the regulations made under that section.

Peter Bonnell
Senior Statutory Auditor
for and on behalf of
BARNES ROFFE LLP
Chartered Accountants
Statutory Auditor
Leytonstone House
Leytonstone
London
E11 1GA



Date 30 March 2010

PERCY INGLE BAKERIES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2009

	Note	2009 £	2008 £
TURNOVER	1	£ 12,227,361	£ 11,035,863
GROSS PROFIT		7,261,157	6,676,653
Selling and distribution costs		(3,668,771)	(3,224,267)
Administrative expenses		(3,717,814)	(3,826,705)
OPERATING LOSS	3	(125,428)	(374,319)
Interest receivable and similar income		48	376
Interest payable and similar charges	6	(13,337)	(11,898)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(138,717)	(385,841)
Taxation on loss on ordinary activities	7	71,902	73,443
LOSS FOR THE FINANCIAL YEAR	15	£ (66,815)	£ (312,398)

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2008 other than those included in the Profit and loss account

The notes on pages 7 to 16 form part of these financial statements

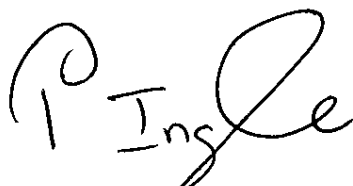
PERCY INGLE BAKERIES LIMITED
Registered number: 584236

ABBREVIATED BALANCE SHEET
As at 30 June 2009

	Note	2009	2008
		£	£
FIXED ASSETS			
Tangible assets	8	4,467,459	3,358,769
CURRENT ASSETS			
Stocks	9	86,025	71,259
Debtors	10	518,266	459,211
Cash in hand		5,941	5,414
		<u>610,232</u>	<u>535,884</u>
CREDITORS: amounts falling due within one year	11	<u>(1,421,901)</u>	<u>(1,316,500)</u>
NET CURRENT LIABILITIES		<u>(811,669)</u>	<u>(780,616)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,655,790</u>	<u>2,578,153</u>
CREDITORS: amounts falling due after more than one year	12	<u>(2,947,911)</u>	<u>(1,805,580)</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	13	<u>(433,345)</u>	<u>(431,224)</u>
NET ASSETS		<u>£ 274,534</u>	<u>£ 341,349</u>
CAPITAL AND RESERVES			
Called up share capital	14	5,682	5,682
Share premium account		15,618	15,618
Profit and loss account	15	<u>253,234</u>	<u>320,049</u>
SHAREHOLDERS' FUNDS - ALL EQUITY	16	<u>£ 274,534</u>	<u>£ 341,349</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 were approved and authorised for issue by the board and were signed on its behalf on 30 March 2010

P D Ingle Esq
Director



J Darby Esq
Director



The notes on pages 7 to 16 form part of these financial statements

PERCY INGLE BAKERIES LIMITED

ABBREVIATED CASH FLOW STATEMENT
For the year ended 30 June 2009

	Note	2009 £	2008 £
Net cash flow from operating activities	18	1,500,260	620,008
Returns on investments and servicing of finance	19	(13,289)	(11,522)
Taxation		70,536	3,019
Capital expenditure and financial investment	19	(1,595,550)	(1,131,639)
Equity dividends paid		(55,791)	-
CASH OUTFLOW BEFORE FINANCING		(93,834)	(520,134)
Financing	19	(13,333)	208,333
DECREASE IN CASH IN THE YEAR		£ (107,167)	£ (311,801)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
For the year ended 30 June 2009

	2009 £	2008 £
Decrease in cash in the year	(107,167)	(311,801)
Cash inflow from increase in debt financing	(70,000)	(250,000)
Cash outflow from decrease in debt financing	83,333	41,667
MOVEMENT IN NET DEBT IN THE YEAR	(93,834)	(520,134)
Net debt at 1 July 2008	(611,462)	(91,328)
NET DEBT AT 30 JUNE 2009	£ (705,296)	£ (611,462)

The notes on pages 7 to 16 form part of these financial statements

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 30 June 2009

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 revenue recognised by the company in respect of goods and services supplied, 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 term of the lease
Plant and machinery	-	3 - 20% straight line
Motor vehicles	-	25% reducing balance
Fixtures, fittings and equipment	-	3 - 20% straight line

During the year the company changed its accounting method for depreciating plant and machinery and fixtures and fittings from a 10% straight line method to a 3 - 20% straight line method for each. The effect of this has been to reduce the depreciation charge on plant and machinery and fixtures and fittings by £227,000. The directors consider a 3 - 20% straight line method to better reflect the useful economic life of these assets.

1.4 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

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.

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

1. ACCOUNTING POLICIES (continued)

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

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. OTHER OPERATING INCOME

	2009	2008
	£	£
Management charge	65,000	65,000

3. OPERATING LOSS

The operating loss is stated after charging

	2009	2008
	£	£
Depreciation of tangible fixed assets		
- owned by the company	458,217	512,869
Auditor's remuneration	10,000	10,000
Operating lease rentals		
- plant and machinery	8,396	6,002
- other operating leases	762,091	614,742

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2009 £	2008 £
Wages and salaries	4,808,338	4,267,624
Social security costs	342,202	310,924
Other pension costs	50,475	50,895
	<u>£ 5,201,015</u>	<u>£ 4,629,443</u>

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

	2009 No	2008 No
Office and management	10	10
Production	61	53
Distribution	269	222
	<u>340</u>	<u>285</u>

5. DIRECTORS' REMUNERATION

	2009 £	2008 £
Emoluments	<u>£ 78,757</u>	<u>£ 78,601</u>
Company pension contributions to money purchase pension schemes	<u>£ 38,196</u>	<u>£ 40,605</u>

During the year retirement benefits were accruing to 1 director (2008 - 1) in respect of money purchase pension schemes

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Bank overdraft	4,187	7,095
Other loans	9,150	4,803
	<u>£ 13,337</u>	<u>£ 11,898</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

7. TAXATION

	2009 £	2008 £
Analysis of tax credit in the year		
Current taxation (see note below)		
Group taxation relief	(74,023)	(118,344)
Adjustments in respect of prior periods	-	(3,019)
Total current taxation	<u>(74,023)</u>	<u>(121,363)</u>
Deferred taxation (see note 13)		
Origination and reversal of timing differences	2,121	47,920
Taxation on loss on ordinary activities	<u>£ (71,902)</u>	<u>£ (73,443)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2008 - *lower than*) the standard rate of corporation tax in the UK (28%). The differences are explained below

	2009 £	2008 £
Loss on ordinary activities before tax	<u>£ (138,717)</u>	<u>£ (385,841)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 28%)	(38,841)	(108,035)
Effects of:		
Expenses not deductible for tax purposes	-	3,069
Capital allowances for year in excess of depreciation	(29,875)	(29,174)
Capitalised costs expensed for tax purposes	(5,307)	-
Unrelieved trading losses carried forward	-	15,796
Adjustments to tax charge in respect of prior periods	-	(3,019)
Current tax credit for the year (see note above)	<u>£ (74,023)</u>	<u>£ (121,363)</u>

Factors that may affect future tax charges

The company has losses carried forward of £56,415 to be offset against future losses

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost					
At 1 July 2008	238,146	2,114,125	445,561	6,134,296	8,932,128
Additions	24,794	307,983	25,590	1,237,183	1,595,550
Disposals	(49,851)	(298)	(116,751)	(667,040)	(833,940)
At 30 June 2009	<u>213,089</u>	<u>2,421,810</u>	<u>354,400</u>	<u>6,704,439</u>	<u>9,693,738</u>
Depreciation					
At 1 July 2008	209,876	1,300,818	317,390	3,745,275	5,573,359
Charge for the year	7,303	88,202	35,829	326,883	458,217
On disposals	(49,851)	(141)	(111,184)	(644,121)	(805,297)
At 30 June 2009	<u>167,328</u>	<u>1,388,879</u>	<u>242,035</u>	<u>3,428,037</u>	<u>5,226,279</u>
Net book value					
At 30 June 2009	<u>£ 45,761</u>	<u>£ 1,032,931</u>	<u>£ 112,365</u>	<u>£ 3,276,402</u>	<u>£ 4,467,459</u>
At 30 June 2008	<u>£ 28,270</u>	<u>£ 813,307</u>	<u>£ 128,171</u>	<u>£ 2,389,021</u>	<u>£ 3,358,769</u>

9. STOCKS

	2009 £	2008 £
Raw materials	<u>£ 86,025</u>	<u>£ 71,259</u>

10. DEBTORS

	2009 £	2008 £
Trade debtors	29,291	66,959
Amounts owed by group undertakings	82,064	39,714
Other debtors	100,070	86,829
Prepayments and accrued income	306,841	265,709
	<u>£ 518,266</u>	<u>£ 459,211</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

11. CREDITORS.

Amounts falling due within one year

	2009 £	2008 £
Bank overdraft	516,237	408,543
Other loans	83,333	50,000
Trade creditors	314,047	364,500
Amounts owed to group undertakings	178,000	178,000
Social security and other taxes	91,911	96,571
Proposed dividend	-	55,791
Other creditors	92,365	70,505
Accruals and deferred income	146,008	92,590
	<u>£ 1,421,901</u>	<u>£ 1,316,500</u>

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

12. CREDITORS:

Amounts falling due after more than one year

	2009 £	2008 £
Other loans	111,667	158,333
Amounts owed to group undertakings	2,836,244	1,647,247
	<u>£ 2,947,911</u>	<u>£ 1,805,580</u>

13. DEFERRED TAXATION

	2009 £	2008 £
At beginning of year	431,224	383,304
Charge for year	2,121	47,920
	<u>£ 433,345</u>	<u>£ 431,224</u>
At end of year	<u>£ 433,345</u>	<u>£ 431,224</u>

The provision for deferred taxation is made up as follows

	2009 £	2008 £
Accelerated capital allowances	<u>£ 433,345</u>	<u>£ 431,224</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

14. SHARE CAPITAL

	2009 £	2008 £
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>

15. RESERVES

	Profit and loss account £
At 1 July 2008	320,049
Loss on trading activities after taxation	(66,815)
	<u>£ 253,234</u>
At 30 June 2009	

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Opening shareholders' funds	341,349	709,538
Loss for the year	(66,815)	(312,398)
Dividends (Note 17)	-	(55,791)
	<u>£ 274,534</u>	<u>£ 341,349</u>
Closing shareholders' funds		

17. DIVIDENDS

	2009 £	2008 £
Dividends proposed on equity capital	<u>£ -</u>	<u>£ 55,791</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating loss	(125,428)	(374,319)
Depreciation of tangible fixed assets	458,217	512,869
Loss on disposal of tangible fixed assets	28,643	-
(Increase)/decrease in stocks	(14,766)	36,645
Increase in debtors	(16,705)	(25,353)
(Increase)/decrease in amounts owed by group undertakings	(3,228)	1,669
Increase in creditors	20,165	72,934
Increase in amounts owed to group undertakings	1,153,362	395,563
Net cash inflow from operations	£ 1,500,260	£ 620,008

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest received and similar income	48	376
Interest paid and similar charges	(13,337)	(11,898)
Net cash outflow from returns on investments and servicing of finance	£ (13,289)	£ (11,522)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	£ (1,595,550)	£ (1,131,639)
Financing		
Other new loans	70,000	250,000
Repayment of other loans	(83,333)	(41,667)
Net cash (outflow)/inflow from financing	£ (13,333)	£ 208,333

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

20. ANALYSIS OF CHANGES IN NET DEBT

	1 July 2008 £	Cash flow £	Other non-cash changes £	30 June 2009 £
Cash at bank and in hand	5,414	527	-	5,941
Bank overdraft	(408,543)	(107,694)	-	(516,237)
	<u>(403,129)</u>	<u>(107,167)</u>	<u>-</u>	<u>(510,296)</u>
Debt:				
Debts due within one year	(50,000)	13,333	(46,666)	(83,333)
Debts falling due after more than one year	(158,333)	-	46,666	(111,667)
Net debt	<u>£ (611,462)</u>	<u>£ (93,834)</u>	<u>£ -</u>	<u>£ (705,296)</u>

21. CAPITAL COMMITMENTS

At 30 June 2009 the company had capital commitments as follows

	2009 £	2008 £
Contracted for but not provided in these financial statements	<u>£ 32,369</u>	<u>£ -</u>

22. 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 £50,475 (2008 - £50,895)

23. OPERATING LEASE COMMITMENTS

At 30 June 2009 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2009 £	2008 £	Other 2009 £	2008 £
Expiry date:				
Within 1 year	53,250	-	-	-
Between 2 and 5 years	103,400	48,574	-	4,168
After more than 5 years	647,793	463,812	-	-
	<u>647,793</u>	<u>463,812</u>	<u>-</u>	<u>-</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2009

24. RELATED PARTY TRANSACTIONS

During the year the company received an additional loan of £70,000 from Percy Ingle Services Limited FURBS, a related party. At the year end date the balance outstanding was £195,000. The loan is repayable over 60 equal monthly instalments and attracts interest at 7.25% per annum straight line.

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

25. 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.