

Company Registration No. 1665621 (England and Wales)

BOBBY'S FOODS SOUTH WALES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008

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BOBBY'S FOODS SOUTH WALES LIMITED

COMPANY INFORMATION

Directors	D.Hancock M.W.Hancock R.S.Isaac
Secretary	C.A.Baker
Company number	1665621
Registered office	Saxon Park Hanbury Road Bromsgrove Worcs
Auditors	K N Martin & Co 21 East Street Bromley Kent BR1 1QE
Bankers	The Royal Bank of Scotland Plc Birmingham Colmore Row Branch 79/83 Colmore Row Birmingham B3 2AP

BOBBY'S FOODS SOUTH WALES LIMITED

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BOBBY'S FOODS SOUTH WALES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2008

The directors present their report and financial statements for the year ended 30 September 2008.

Principal activities and review of the business

The company's principal activity during the year continued to be the wholesale of foods and confectionery.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

The directors consider that the principal risks and uncertainties surrounding the company centre on the continued health of the independent sector within which the company operates. Contingency plans have been put in place to meet any deterioration in this sector of the market.

The company's position at the year end was considered satisfactory by the Board.

The company's Key Performance Indicators are sales growth, trading margins and working capital controls. Sales increased by 3.70% in the year whilst gross trading margins increased from the 2007 level of 37.58% to the 2008 level of 37.97%. The working capital position at the year end continued to show a satisfactory position in all areas.

Results and dividends

The results for the year are set out on page 5.

Market value of land and buildings

In the opinion of the directors the market value of land and buildings exceeds the current net book value.

Future developments

The directors aim to maintain the management policies which have resulted in the company's growth.

Directors

The following directors have held office since 1 October 2007:

D.Hancock
M.W.Hancock
R.S.Isaac

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Creditor payment policy

The company buys all of its products from the group purchasing agent, Bobby's Foods Plc. The company's current policy concerning the payment of that supplier is to pay in accordance with the company's contractual and other legal obligations. On average, trade creditors at the year end represented 44 (2007- 31) days' purchases.

BOBBY'S FOODS SOUTH WALES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2008

Auditors

In accordance with the Company's Articles, a resolution proposing that K N Martin & Co be reappointed as auditors of the company will be put at a General Meeting.

Directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that 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 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M.W.Hancock

Director

3 April 2009

BOBBY'S FOODS SOUTH WALES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF BOBBY'S FOODS SOUTH WALES LIMITED

We have audited the financial statements of BOBBY'S FOODS SOUTH WALES LIMITED on pages 5 to 14 for the year ended 30 September 2008. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 16 to the financial statements.

BOBBY'S FOODS SOUTH WALES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF BOBBY'S FOODS SOUTH WALES LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

HTN

K N Martin & Co

3rd April, 2009

Chartered Certified Accountants

Registered Auditor

21 East Street
Bromley
Kent
BR1 1QE

BOBBY'S FOODS SOUTH WALES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2008

	Notes	2008 £	2007 £
Turnover	2	1,857,615	1,791,394
Cost of sales		(1,152,196)	(1,118,181)
Gross profit		<u>705,419</u>	<u>673,213</u>
Administrative expenses		(617,912)	(561,917)
Profit on ordinary activities before taxation	3	<u>87,507</u>	<u>111,296</u>
Tax on profit on ordinary activities	4	(26,417)	(33,098)
Profit for the year	11	<u><u>61,090</u></u>	<u><u>78,198</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

BOBBY'S FOODS SOUTH WALES LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	5		109,980		137,014
Current assets					
Stocks	6	57,288		47,557	
Debtors: amounts falling due within one year	7	73,800		73,053	
Cash at bank and in hand		981,094		862,552	
		1,112,182		983,162	
Creditors: amounts falling due within one year	8	(223,189)		(182,293)	
Net current assets			888,993		800,869
Total assets less current liabilities			998,973		937,883
Capital and reserves					
Called up share capital	10	10,000		10,000	
Profit and loss account	11	988,973		927,883	
Shareholders' funds	12	998,973		937,883	

Approved by the Board and authorised for issue on 3 April 2009

M.W.Hancock
Director



R.S.Isaac
Director



BOBBY'S FOODS SOUTH WALES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2008

	£	2008 £	£	2007 £
Net cash inflow from operating activities		152,992		212,527
Taxation		(33,017)		(27,598)
Capital expenditure				
Payments to acquire tangible assets	(1,433)		(28,247)	
Receipts from sales of tangible assets	-		8,500	
Net cash outflow for capital expenditure		(1,433)		(19,747)
Net cash inflow before management of liquid resources and financing		118,542		165,182
Increase in cash in the year		118,542		165,182

BOBBY'S FOODS SOUTH WALES LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2008

1	Reconciliation of operating profit to net cash inflow from operating activities	2008	2007
		£	£
	Operating profit	87,507	111,296
	Depreciation of tangible assets	28,467	37,759
	Loss on disposal of tangible assets	-	2,469
	(Increase)/decrease in stocks	(9,731)	537
	(Increase)/decrease in debtors	(747)	1,460
	Increase in creditors within one year	47,496	59,006
	Net cash inflow from operating activities	152,992	212,527

2	Analysis of net funds	1 October 2007	Cash flow	Other non-cash changes	30 September 2008
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	862,552	118,542	-	981,094
	Net funds	862,552	118,542	-	981,094

3	Reconciliation of net cash flow to movement in net funds	2008	2007
		£	£
	Increase in cash in the year	118,542	165,182
	Movement in net funds in the year	118,542	165,182
	Opening net funds	862,552	697,370
	Closing net funds	981,094	862,552

BOBBY'S FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Straight line over fifty years
Plant and machinery	25% Straight line
Motor vehicles	25% Reducing balance

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

BOBBY'S FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2008

3	Operating profit	2008	2007
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	28,467	37,759
	Loss on disposal of tangible assets	-	2,469
		<u>28,467</u>	<u>40,228</u>
	Auditors' remuneration		
	Fees payable to the company's auditor for the audit of the company's annual accounts	5,000	4,700
	Accountancy and taxation services	2,530	1,690
		<u>7,530</u>	<u>6,390</u>
4	Taxation	2008	2007
		£	£
	Domestic current year tax		
	U.K. corporation tax	26,500	33,100
	Adjustment for prior years	(83)	(2)
		<u>26,417</u>	<u>33,098</u>
	Current tax charge	26,417	33,098
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	87,507	111,296
		<u>87,507</u>	<u>111,296</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2007 - 30.00%)	26,252	33,389
		<u>26,252</u>	<u>33,389</u>
	Effects of:		
	Depreciation add back	8,540	12,068
	Capital allowances	(7,270)	(12,312)
	Adjustments to previous periods	(83)	(2)
	Other tax adjustments	(1,022)	(45)
		<u>165</u>	<u>(291)</u>
	Current tax charge	26,417	33,098
		<u>26,417</u>	<u>33,098</u>

BOBBY'S FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2008

5 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 2007	34,270	1,241	282,507	318,018
Additions	-	1,433	-	1,433
Disposals	-	(680)	-	(680)
At 30 September 2008	34,270	1,994	282,507	318,771
Depreciation				
At 1 October 2007	6,165	789	174,050	181,004
On disposals	-	(680)	-	(680)
Charge for the year	685	668	27,114	28,467
At 30 September 2008	6,850	777	201,164	208,791
Net book value				
At 30 September 2008	27,420	1,217	81,343	109,980
At 30 September 2007	28,105	452	108,457	137,014

6 Stocks

	2008	2007
	£	£
Finished goods and goods for resale	57,288	47,557

7 Debtors

	2008	2007
	£	£
Trade debtors	73,800	73,053

BOBBY'S FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2008

8	Creditors: amounts falling due within one year	2008 £	2007 £
	Amounts owed to parent and fellow subsidiary undertakings	140,232	94,222
	Corporation tax	26,500	33,100
	Other taxes and social security costs	33,152	33,612
	Other creditors	10,000	10,000
	Accruals and deferred income	13,305	11,359
		<u>223,189</u>	<u>182,293</u>

9 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2008 £	2007 £
Contributions payable by the company for the year	<u>6,612</u>	<u>1,649</u>

10	Share capital	2008 £	2007 £
	Authorised		
	10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	Allotted, called up and fully paid		
	10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

BOBBY'S FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2008

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2007	927,883
Profit for the year	61,090
	<hr/>
Balance at 30 September 2008	988,973
	<hr/>

12 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the financial year	61,090	78,198
Opening shareholders' funds	937,883	859,685
	<hr/>	<hr/>
Closing shareholders' funds	998,973	937,883
	<hr/>	<hr/>

13 Contingent liabilities

The company is party to unlimited inter company guarantees given by group companies in respect of bank borrowings. At the balance sheet date bank borrowings totalled £0 (2007: £3,003,627).

14 Directors' emoluments

	2008 £	2007 £
Emoluments for qualifying services	78,333	78,333
	<hr/>	<hr/>

BOBBY'S FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2008

15 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2008 Number	2007 Number
Management	2	2
Sales	9	7
	<u>11</u>	<u>9</u>

Employment costs

	2008 £	2007 £
Wages and salaries	385,342	336,342
Social security costs	45,626	39,256
Other pension costs	6,612	1,649
	<u>437,580</u>	<u>377,247</u>

16 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

17 Control

The ultimate parent company is Bobby's Foods Plc, a company registered in England and Wales. Bobby's Foods Plc prepares group financial statements and copies can be obtained from the company's registered office. Control of that company rests with the two principal shareholders Mr. M.W.Hancock and Mr. R.S.Isaac.

18 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.