

Company Registration No. 2573163

**RICHMOND FOODS
LIMITED**

Report and financial statements

1 January 2012

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Directors' report

The Directors present their annual report and the audited financial statements for the 52 weeks ended 1 January 2012 (2011: 53 weeks ended 2 January 2011).

Results

The results for the period, after taxation, amounted to a loss of £1,420,000 (2011: profit £37,785,000). The results of the Company were in line with expectations. No dividends (2011: £39,091,000) were declared and paid during the year.

Principal activities and enhanced business review

The Company's principal activity during the period continued to be a management company of its main trading subsidiary R&R Ice Cream UK Limited, whose principal activity is the manufacture and sale of ice cream and frozen confectionery.

The main trading subsidiary, R&R Ice Cream UK Limited has generated a healthy level of profitability in the year despite competitive pressures and rising commodity prices.

The key performance indicators and the principal risks and uncertainties for R&R Ice Cream UK Limited, are included in the Directors' Report for that Company.

Directors

The Directors who held office during the period were as follows:

J S Lambert
A B Finneran
I Najafi

Donations

Charitable donations during the period amounted to £69,000 (2011: £87,000).

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

AB Finneran
Secretary

Richmond House
Leeming Bar
Northallerton
North Yorkshire
DL7 9UL
27 April 2012



Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Richmond Foods Limited

We have audited the financial statements of Richmond Foods Limited for the period ended 1 January 2012 as set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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 and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditor

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 1 January 2012 and of its loss for the period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the members of Richmond Foods Limited
(continued)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept; or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Johnathan Pass (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 The Embankment
Neville Street
Leeds
LS1 4DW

27 April 2012

Profit and loss account
for the 52 weeks ended 1 January 2012

		52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
	<i>Note</i>		
Administrative expenses and operating loss	2	(1,370)	(1,101)
Income from shares in group undertakings	3	-	39,091
(Loss)/profit before interest and tax		(1,370)	37,990
Net interest payable and similar charges	6	(546)	(690)
(Loss)/profit on ordinary activities before taxation		(1,916)	37,300
Tax on (loss)/profit on ordinary activities	7	496	485
(Loss)/profit for the financial period		(1,420)	37,785

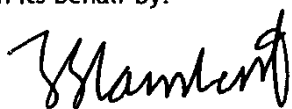
There are no recognised gains and losses for the current or preceding financial period other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses is provided.

The above results derive from continuing activities

Balance sheet
at 1 January 2012

	<i>Note</i>	1 January 2012		2 January 2011	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	8		3,863		3,863
Current assets					
Debtors	9	21,519		28,316	
		<u>21,519</u>		<u>28,316</u>	
Creditors: amounts falling due within one year	10	(150)		(5,245)	
Net current assets			<u>21,369</u>		<u>23,071</u>
Total assets less current liabilities			<u>25,232</u>		<u>26,934</u>
Creditors: amounts falling due after more than one year	11		(9,280)		(9,562)
Net Assets			<u>15,952</u>		<u>17,372</u>
Capital and reserves					
Called up share capital	13		1,213		1,213
Share premium account	13		12,684		12,684
Capital redemption reserve	13		759		759
Profit and loss account	13		1,296		2,716
Total Shareholders' funds	14		<u>15,952</u>		<u>17,372</u>

These financial statements were approved by the Board of Directors on 27 April 2012 and were signed on its behalf by:



JS Lambert
Director

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

Basis of preparation

The financial statements are prepared in accordance with applicable UK accounting standards and under the historical cost convention. The Company has taken the exemption under FRS 1 not to present a cash flow statement on the grounds that the consolidated Group financial statements include the cashflows of the Company.

The Company is a wholly owned subsidiary of New R&R Ice Cream Limited, a Company incorporated in England and Wales. Accordingly, advantage has been taken of the exemption allowed in the Companies Act 2006 not to prepare Group accounts. These accounts therefore reflect the results of the Company and not of its Group.

As the Company is a wholly owned subsidiary of New R&R Ice Cream Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Group.

The Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis for the preparation of the financial statements.

Taxation

The credit for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Investments

Investments are stated at cost less provision for permanent diminution in value.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes (continued)

2. Operating loss

	52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
<i>Operating loss is stated after charging</i>		

Auditors' remuneration		
Audit of these financial statements	5	5

Fees paid to KPMG LLP and its associates for non-audit services to the Company itself are not disclosed in Richmond Foods Ltd's accounts since the consolidated accounts of the Group, are required to disclose non-audit fees on a consolidated basis.

3. Income from shares in group undertakings

	52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
Dividends receivable	-	39,091

4. Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the period, analysed by category, was as follows

	Number of employees 52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
Administration	4	5

The aggregate payroll costs of these persons were as follows:

	52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
Wages and salaries	1,344	1,069
Social security costs	178	137
Other pension costs	138	111
	<u>1,660</u>	<u>1,317</u>

Notes (continued)

5. Directors' remuneration

	52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
Directors emoluments	1,317	916
Company contributions to defined contribution pension scheme	107	96
	<u>1,424</u>	<u>1,012</u>

All Executive Directors have service contracts which provide for 12 months notice of termination.

The Executive Directors receive a contribution towards the purchase and maintenance of their own cars totalling £82,000 for the period (2011: £73,000).

The remuneration of the highest paid Director during the period was £567,000 (2011: £349,000). During the period 3 Directors participated in the defined contribution pension scheme (2011: 3)

6. Net interest payable and similar charges

	52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
Banks loans and overdrafts	7	765
Gain on exchange differences	(285)	(202)
Interest expense on parent company loan	824	127
	<u>546</u>	<u>690</u>

7. Taxation

	52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
Current tax		
UK corporation tax credit at 26.5% (2011: 28%)	(510)	(488)
Adjustment in respect of previous periods	14	3
	<u>(496)</u>	<u>(485)</u>

Notes (continued)

7. Taxation (continued)

The tax charge assessed for the period is lower (2011: lower) than the average standard rate of corporation tax in the UK of 26.5% (2011: 28%). The differences are explained below:

	52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
(Loss)/profit on ordinary activities before tax	(1,916)	37,300
(Loss)/profit on ordinary activities multiplied by average standard rate of corporation tax in the UK of 26.5% (2011: 28%)	(508)	10,444
Expenses not deductible for tax purposes	6	6
Non-taxable income	-	(10,945)
Short term timing differences	(8)	7
Adjustment in respect of previous periods	14	3
Current tax credit for period	(496)	(485)

On 23 March 2011 the Chancellor announced the reduction in the main rate of UK corporate tax to 26 per cent with effect from 1 April 2011.

The 26.5% used in the current tax reconciliation above therefore represents a blended rate following the reduction in the UK corporation tax rate.

8. Fixed asset investments

	1 January 2012 £'000	2 January 2011 £'000
Shares in subsidiary undertakings		
Cost at 2 January 2011 and 1 January 2012	3,863	3,863

Richmond Foods Limited holds 100% of the issued share capital of R&R Ice Cream UK Limited, Richmond Shelf Company Limited and Richmond Foods (EBT1) Limited.

R&R Ice Cream UK Limited is involved in the manufacture and sale of ice cream and frozen confectionery. Neither Richmond Shelf Company Limited or Richmond Foods (EBT1) Limited traded throughout the period.

The following companies are subsidiaries of R&R Ice Cream UK Limited. The only subsidiary which traded in the period was Kelly's of Cornwall Limited as a manufacturer of ice cream, which traded until 25th September 2011 until the assets and trade of the business were hived up into R&R Ice Cream UK Limited.

Kelly's of Cornwall Limited	100%
Richmond Ice Cream Limited	100%
Treats Frozen Confectionery Limited	100%
Oldfields Ice Cream Limited	100%
Creamice Limited	100%

Notes (continued)

8. Fixed asset investments (continued)

The following companies are wholly owned subsidiaries of Richmond Shelf Company Limited, neither of which have traded throughout the period.

Richmond Operations Limited
Windsor Creameries Manufacturing Limited

Kelly's Cornish Dairy Ices Limited (dormant Company) is a wholly owned subsidiary of Kelly's of Cornwall Limited.

9. Debtors

	1 January 2012 £'000	2 January 2011 £'000
Prepayments and accrued income	11	35
Amounts owed by parent undertaking	9,414	-
Amounts owed by subsidiary undertakings	12,053	27,540
Amounts owed by other Group undertakings	41	741
	<u>21,519</u>	<u>28,316</u>

10. Creditors: amounts falling due within one year

	1 January 2012 £'000	2 January 2011 £'000
Accruals and deferred income	150	245
Amount owed to Group undertakings	-	397
Amounts owed to parent undertakings	-	4,603
	<u>150</u>	<u>5,245</u>

11. Creditors: amounts falling due after more than one year

	1 January 2012 £'000	2 January 2011 £'000
Amount owed to parent undertaking	9,280	9,562
	<u>9,280</u>	<u>9,562</u>

Notes (continued)

12. Loans

Loans repayable, included within creditors, are analysed as follows:

	1 January 2012 £'000	2 January 2011 £'000
After more than five years	9,280	9,562

The loan is owed to a parent undertaking, R&R Ice Cream plc. The loan carries a fixed rate of interest of 8.625% and the capital balance is repayable in one instalment on 15th November 2017.

13. Capital and reserves

	1 January 2012 £'000	2 January 2011 £'000
<i>Authorised</i>		
Equity: 32,000,000 ordinary shares of 5p each	1,600	1,600
<i>Allotted, called up and fully paid</i>		
Equity: 24,258,912 ordinary shares of 5p each (2011: 24,258,912)	1,213	1,213

	Share Premium £'000	Capital Redemption Reserve £'000	Profit and Loss Account £'000
At 2 January 2011	12,684	759	2,716
Loss for the period	-	-	(1,420)
At 1 January 2012	12,684	759	1,296

No dividends (2011: £39,091,000) were declared and paid during the year

Notes (continued)

14. Reconciliation of movement in shareholders' funds

	52 weeks ended 1 January 2012 £'000	53 weeks ended 2 January 2011 £'000
(Loss)/profit for the period	(1,420)	37,785
Dividends paid	-	(39,091)
Net movement in shareholders' funds	(1,420)	(1,306)
Opening shareholders' funds	17,372	18,678
Closing shareholders' funds	15,952	17,372

15. Ultimate parent company

The immediate parent undertaking is Ruby Acquisitions Limited incorporated in England and Wales, and the ultimate UK parent undertaking is New R&R Ice Cream Limited, incorporated in England and Wales

The ultimate parent company is OCM Luxembourg Ice Cream SCA which is incorporated in Luxembourg.

The smallest group of undertakings for which Group accounts have been prepared is those prepared by R&R Ice Cream plc and the largest such group is New R&R Ice Cream Limited.

The consolidated accounts of this Company are available to the public and may be obtained from Richmond House, Leeming Bar, Northallerton, North Yorkshire, DL7 9UL. No other group accounts include the results of the Company.