

Needwood Foods Limited

Abbreviated Accounts

For the year ended 31 December 2012



Needwood Foods Limited

Company Information

Directors

J H Williams
F Bavester

Company secretary

J H Williams

Registered number

03380095

Registered office

11 Mallard Way
Pride Park
Derby
Derbyshire
DE24 8GX

Independent auditors

Dains LLP
Charlotte House
Stanier Way
The Wyvern Business Park
Derby
DE21 6BF

Needwood Foods Limited

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Needwood Foods Limited

Directors' Report

For the year ended 31 December 2012

The directors present their report and the financial statements for the year ended 31 December 2012

Principal activity

The principal activity of the company in the year under review continued to be that of importing dried fruit

Business review

The business has continued to perform well in the current year, however this is expected to slow with a slight downturn in sales in the following year. Gross margins have been maintained in the current year, however the directors anticipate further downward pressure on margins in subsequent years.

Costs have been well managed as in previous years particularly in relation to foreign currency fluctuations as a result of good buying policies implemented by the directors.

The directors are considering new markets and commodities to expand and develop the business in the future.

Results and dividends

The profit for the year, after taxation, amounted to £639,391 (2011 - £427,223)

During the year the directors declared an interim dividend of £95,000 (2011 - £100,000)

The directors recommend that no final dividend will be paid (2011 - £Nil)

Principal risks and uncertainties

Cash flow and liquidity risk

The company carefully monitors its cash flows and ensures that investment opportunities are held within liquidity parameters.

Credit risk

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of provision for bad and doubtful receivables.

Directors

The directors who served during the year were

J H Williams

F Bavester

Needwood Foods Limited

Directors' Report

For the year ended 31 December 2012

Directors' responsibilities statement

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 accounting 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.

Political and charitable contributions

During the year the company made charitable donations amounting to £2,197 (2011 - £2,381).

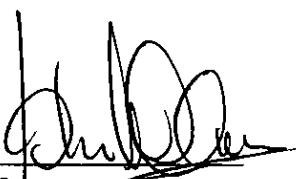
Disclosure of information to auditors

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 auditors are 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 relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Dains LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on **12 SEPTEMBER 2013** and signed on its behalf


J H Williams
Company secretary

Needwood Foods Limited

**Independent Auditors' Report to Needwood Foods Limited
Under section 449 of the Companies Act 2006**

We have examined the abbreviated accounts, which comprise the abbreviated Profit and loss account, the Balance sheet, the Cash flow statement and the related notes, together with the financial statements of Needwood Foods Limited for the year ended 31 December 2012 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 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.

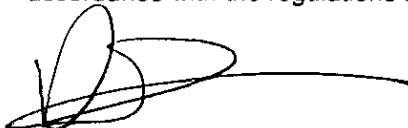
Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 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 on financial statements

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 which comprise the abbreviated Profit and loss account, the Balance sheet, the Cash flow statement and the related notes have been properly prepared in accordance with the regulations made under that section.



Lisa Richards FCCA (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor Chartered Accountants

Charlotte House, Derby

Date 12 SEPTEMBER 2013

Needwood Foods Limited**Abbreviated Profit and Loss Account
For the year ended 31 December 2012**

	Note	2012 £	2011 £
Turnover	1	<u>25,704,523</u>	<u>25,967,607</u>
Gross profit		<u>1,375,659</u>	<u>1,158,378</u>
Administrative expenses		<u>(538,354)</u>	<u>(598,544)</u>
Operating profit	2	837,305	559,834
Interest receivable and similar income		2,371	1,773
Interest payable and similar charges	5	<u>(154)</u>	<u>-</u>
Profit on ordinary activities before taxation		839,522	561,607
Tax on profit on ordinary activities	6	<u>(200,131)</u>	<u>(134,384)</u>
Profit for the financial year	13	<u>639,391</u>	<u>427,223</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the profit and loss account

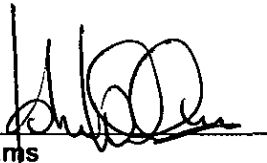
The notes on pages 7 to 13 form part of these financial statements


Needwood Foods Limited
Registered number 03380095

Abbreviated Balance Sheet
As at 31 December 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Intangible assets	7		3,380		3,380
Tangible assets	8		80,022		74,911
			<u>83,402</u>		<u>78,291</u>
Current assets					
Stocks	9	2,721,104		2,059,456	
Debtors	10	3,977,220		3,843,360	
Cash at bank and in hand		914,229		1,125,629	
		<u>7,612,553</u>		<u>7,028,445</u>	
Creditors' amounts falling due within one year	11	(4,097,170)		(4,052,342)	
Net current assets			<u>3,515,383</u>		<u>2,976,103</u>
Net assets			<u><u>3,598,785</u></u>		<u><u>3,054,394</u></u>
Capital and reserves					
Called up share capital	12		3,000		3,000
Profit and loss account	13		3,595,785		3,051,394
Shareholders' funds	14		<u><u>3,598,785</u></u>		<u><u>3,054,394</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on **12 SEPTEMBER 2013**


J H Williams
 Director


F Bavester
 Director

The notes on pages 7 to 13 form part of these financial statements

Needwood Foods Limited**Abbreviated Cash Flow Statement
For the year ended 31 December 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	16	36,461	(892,896)
Returns on investments and servicing of finance	17	2,217	1,773
Taxation		(134,384)	(255,820)
Capital expenditure and financial investment	17	(20,694)	(25,278)
Equity dividends paid		(95,000)	(100,000)
Decrease in cash in the year		<u>(211,400)</u>	<u>(1,272,221)</u>

**Reconciliation of Net Cash Flow to Movement in Net Funds/Debt
For the year ended 31 December 2012**

	2012 £	2011 £
Decrease in cash in the year	<u>(211,400)</u>	<u>(1,272,221)</u>
Movement in net debt in the year	<u>(211,400)</u>	<u>(1,272,221)</u>
Net funds at 1 January 2012	<u>1,125,629</u>	<u>2,397,850</u>
Net funds at 31 December 2012	<u>914,229</u>	<u>1,125,629</u>

The notes on pages 7 to 13 form part of these financial statements

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, 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 during the year, exclusive of Value Added Tax and trade discounts

Revenue is recognised when the goods have been dispatched by the company

1.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

Patents are not amortised as they have an indefinite life. These assets are reviewed for impairment each year.

1.4 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 bases:

Motor vehicles	-	25% reducing balance
Fixtures, fittings and equipment	-	25% reducing balance

1.5 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

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.

Needwood Foods Limited

**Notes to the Abbreviated Accounts
For the year ended 31 December 2012**

1. Accounting Policies (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1.8 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

2. Operating profit

The operating profit is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	20,645	16,454
Auditors' remuneration	4,750	4,950
Operating lease rentals		
- other operating leases	13,500	13,500
Difference on foreign exchange	(40,557)	(122,542)
	<u> </u>	<u> </u>

3. Staff costs

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	248,680	243,096
Social security costs	35,637	34,741
Pension costs	50,000	120,000
	<u> </u>	<u> </u>
	<u>334,317</u>	<u>397,837</u>

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

	2012 No.	2011 No.
Directors	2	2
Administration	3	3
	<u> </u>	<u> </u>
	<u>5</u>	<u>5</u>

Needwood Foods Limited**Notes to the Abbreviated Accounts
For the year ended 31 December 2012****4. Directors' remuneration**

	2012 £	2011 £
Remuneration	<u>226,953</u>	<u>220,542</u>
Company pension contributions to defined contribution pension schemes	<u>50,000</u>	<u>120,000</u>

During the year retirement benefits were accruing to 1 director (2011 - 1) in respect of defined contribution pension schemes

The highest paid director received remuneration of £202,032 (2011 - £198,572)

5 Interest payable

	2012 £	2011 £
Other interest payable	<u>154</u>	<u>-</u>

6. Taxation

	2012 £	2011 £
UK corporation tax charge on profit for the year	<u>200,131</u>	<u>134,384</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2011 - lower than) the standard rate of corporation tax in the UK of 24% (2011 - 26%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>839,522</u>	<u>561,607</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2011 - 26%)	<u>201,485</u>	<u>146,018</u>
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,513	817
Depreciation for year in excess of capital allowances	264	(704)
Other differences leading to an increase in the tax charge	4,212	-
Marginal relief	(7,343)	(11,747)
Current tax charge for the year (see note above)	<u><u>200,131</u></u>	<u><u>134,384</u></u>

Needwood Foods Limited

**Notes to the Abbreviated Accounts
For the year ended 31 December 2012**

7. Intangible fixed assets

	Patents £	Goodwill £	Total £
Cost			
At 1 January 2012 and 31 December 2012	3,380	135,000	138,380
Amortisation			
At 1 January 2012 and 31 December 2012	-	135,000	135,000
Net book value			
At 31 December 2012	3,380	-	3,380
At 31 December 2011	3,380	-	3,380

8. Tangible fixed assets

	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2012	81,650	28,561	110,211
Additions	38,500	2,194	40,694
Disposals	(33,750)	-	(33,750)
At 31 December 2012	86,400	30,755	117,155
Depreciation			
At 1 January 2012	16,350	18,950	35,300
Charge for the year	17,960	2,685	20,645
On disposals	(18,812)	-	(18,812)
At 31 December 2012	15,498	21,635	37,133
Net book value			
At 31 December 2012	70,902	9,120	80,022
At 31 December 2011	65,300	9,611	74,911

9. Stocks

	2012 £	2011 £
Stock in transit at year end	884,324	475,771
Finished goods and goods for resale	1,836,780	1,583,685
	<u>2,721,104</u>	<u>2,059,456</u>

Needwood Foods Limited**Notes to the Abbreviated Accounts
For the year ended 31 December 2012****10. Debtors**

	2012 £	2011 £
Trade debtors	3,888,874	3,780,128
Other debtors	55,903	40,476
Prepayments and accrued income	32,443	22,756
	<u>3,977,220</u>	<u>3,843,360</u>

**11. Creditors:
Amounts falling due within one year**

	2012 £	2011 £
Trade creditors relating to stock in transit	884,324	475,771
Trade creditors	2,675,471	2,995,853
Corporation tax	200,131	134,384
Other taxation and social security	9,430	3,649
Other creditors	927	40,364
Accruals and deferred income	326,887	402,321
	<u>4,097,170</u>	<u>4,052,342</u>

12. Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
3,000 Ordinary shares of £1 each	-	3,000
2,550 Ordinary A shares of £1 each	2,550	-
180 Ordinary B shares of £1 each	180	-
270 Ordinary C shares of £1 each	270	-
	<u>3,000</u>	<u>3,000</u>

On 31 January 2012 the 3,000 Ordinary shares in issue were redesignated as 2,550 Ordinary A shares, 180 Ordinary B shares and 270 Ordinary C shares

The rights of each share category are as follows

- Ordinary A shareholders have full voting rights and are entitled to receive dividends
- Ordinary B shareholders have full voting rights but are not entitled to receive dividends
- Ordinary C shareholders have no voting rights but are entitled to receive dividends

Needwood Foods Limited**Notes to the Abbreviated Accounts
For the year ended 31 December 2012****13. Reserves**

	Profit and loss account £
At 1 January 2012	3,051,394
Profit for the financial year	639,391
Dividends Equity capital	(95,000)
At 31 December 2012	<u>3,595,785</u>

14. Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Opening shareholders' funds	3,054,394	2,727,171
Profit for the financial year	639,391	427,223
Dividends (Note 15)	(95,000)	(100,000)
Closing shareholders' funds	<u>3,598,785</u>	<u>3,054,394</u>

15. Dividends

	2012 £	2011 £
Dividends paid on equity capital	<u>95,000</u>	<u>100,000</u>

16. Net cash flow from operating activities

	2012 £	2011 £
Operating profit	837,305	559,834
Depreciation of tangible fixed assets	20,645	16,454
Profit on disposal of tangible fixed assets	(5,062)	(4,086)
(Increase)/decrease in stocks	(661,648)	895,210
(Increase)/decrease in debtors	(133,860)	83,376
Decrease in creditors	(20,919)	(2,443,684)
Net cash inflow/(outflow) from operating activities	<u>36,461</u>	<u>(892,896)</u>

Needwood Foods Limited

**Notes to the Abbreviated Accounts
For the year ended 31 December 2012**

17. Analysis of cash flows for headings netted in cash flow statement

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	2,371	1,773
Interest paid	(154)	-
Net cash inflow from returns on investments and servicing of finance	<u>2,217</u>	<u>1,773</u>
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(40,694)	(53,778)
Sale of tangible fixed assets	20,000	28,500
Net cash outflow from capital expenditure	<u>(20,694)</u>	<u>(25,278)</u>

18. Analysis of changes in net debt

	1 January 2012 £	Cash flow £	Other non-cash changes £	31 December 2012 £
Cash at bank and in hand	1,125,629	(211,400)	-	914,229
Net funds	<u>1,125,629</u>	<u>(211,400)</u>	<u>-</u>	<u>914,229</u>

19. Pension commitments

The company operates a defined contributions 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 and amounted to £50,000 (2011 - £120,000).

20. Directors' benefits: advances, credit and guarantees

At the year end a balance of £2,376 was due from the director, F Bavester (2011 - owed £1,016 from the company). This loan is interest free.

21. Controlling party

The ultimate controlling party is J H Williams by virtue of his majority shareholding.