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Company Registration No. 07037738 (England and Wales)

**REGAL FOOD PRODUCTS GROUP PLC**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2012**

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# REGAL FOOD PRODUCTS GROUP PLC

## COMPANY INFORMATION

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<b>Directors</b>	Mr M Younis Mr M A Chaudhry
<b>Secretary</b>	Mr M Younis
<b>Company number</b>	07037738
<b>Registered office</b>	Regal House Wallis Street Bradford BD8 9RR
<b>Auditors</b>	Henton & Co LLP St Andrew's House St Andrew's Street Leeds LS3 1LF
<b>Business address</b>	Regal House, Wallis Street Bradford BD8 9RR
<b>Bankers</b>	Habib Bank AG Zurich Habib House 9 Stevenson Square Manchester M1 1DB  Yorkshire Bank plc 14 Broadway Bradford BD1 1EZ

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# REGAL FOOD PRODUCTS GROUP PLC

## CONTENTS

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	<b>Page</b>
Directors' report	1 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7 - 8
Cash flow statement	9
Notes to the cash flow statement	10
Notes to the financial statements	11 - 21

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# **REGAL FOOD PRODUCTS GROUP PLC**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MAY 2012**

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

### **Principal activities and review of the business**

The principal activity of the company continued to be that of wholesale of food and confectionary products

### **Company Performance 2010/11**

We have had a good year in 2011/12 where we have benefited from our strengthened management team and newly acquired manufacturing capabilities. We have also managed to increase turnover and make a positive change in our cash position. The significant growth in turnover reflects expansion in the Group's presence in the multiples and also an increase in international sales.

We are now benefiting from our investments and are in a much better position with the new manufacturing facilities and with the ability to develop new products and brand extensions from a manufacturing base. The adverse economic environment has inevitably impacted upon the consumer's pockets and the consumer environment remains tough. We have so far performed well in these conditions and are confident that our growth plans and universal customer appeal, supported by a strategic marketing strategy, mean we are well-positioned for further growth in 2012/13.

### **Trading Overview**

Trading has been respectable for 2011/12. While we have not been immune to adverse economic conditions, we have demonstrated a resilient performance in 2010/11 with turnover in an upward trend.

We have had good growth in sales and net income along with a moderate asset growth and have seen an increase in sales with the multiples despite the decline in Retail sales across the markets, we have also seen a significant increase in International sales and our distribution business has delivered a robust performance.

### **International**

Even with the global financial crisis our International business has seen a significant increase in 2011/12. We continue to trade with existing international customer bases in Ireland, Denmark, Norway, Germany, France, Spain and Italy in line with our expectations.

We have made strong progress with driving growth in International business by making headway into the North American market, with the addition of a distributing partner in Canada. We look forward to strong growth from the Canadian market once we introduce our broader range of products there.

### **Asset Growth**

We have, as planned, intentionally slowed asset growth in 2011/12 with the decrease of capital expenditure and as such have seen a smaller increase in Asset growth as opposed to 2010/11.

### **The Future**

2011/12 has been another good year for Regal Food Products Group Plc. In a difficult consumer environment, increasing numbers of customers have recognised the superior quality of our products and we have again delivered profits. We have ambitious plans to take Regal Products to more customers through an improved distribution infrastructure and through the development of new channels.

We also remain focused on our strategy of increasing the sales of the diversified range, and on increasing controlled distribution with a greater focus on online to enhance our customer access and reduce distribution costs. We continue to strengthen our cash flow in order to fund the growth. All of which means that even with the current challenging market conditions, we continue to operate from a position of strength.

### **Results and dividends**

The results for the year are set out on page 6.

# REGAL FOOD PRODUCTS GROUP PLC

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

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### Directors

The following directors have held office since 1 June 2011

Mr M Younis

Mr M A Chaudhry

Charitable donations	2012 £	2011 £
During the year the company made the following payments		
Charitable donations	14,827	7,298

Charitable donations - The recipients, amounts and purpose of the charitable donations are as follows

Islamic Relief - £3,690

Azad Kashmir Blind Trust - £2,600

Qazi Abdul Latif Charitable Trust - £2,130

The balance of the expenditure was made to various charitable organisations for their appeals

### Creditor payment policy

It is the company's policy to agree appropriate terms and conditions in advance with its suppliers and to make payment in accordance with those terms and conditions, provided that the supplier has complied with them

### Auditors

The auditors, Henton & Co LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

### 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 judgements and accounting 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,
- 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

# REGAL FOOD PRODUCTS GROUP PLC

## DIRECTORS' REPORT (CONTINUED)


**FOR THE YEAR ENDED 31 MAY 2012**

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### **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



Mr M Younis

Director

26 November 2012

# **REGAL FOOD PRODUCTS GROUP PLC**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF REGAL FOOD PRODUCTS GROUP PLC**

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We have audited the financial statements of Regal Food Products Group plc for the year ended 31 May 2012 set out on pages 6 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 3, 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 Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 31 May 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom 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.

# REGAL FOOD PRODUCTS GROUP PLC

## INDEPENDENT AUDITORS' REPORT (CONTINUED)


### TO THE MEMBERS OF REGAL FOOD PRODUCTS GROUP PLC

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#### 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



**Mr Nadeem Ahmed (Senior Statutory Auditor)**  
for and on behalf of Henton & Co LLP

28 November 2012

**Chartered Accountants**  
**Statutory Auditor**

St Andrew's House  
St Andrew's Street  
Leeds  
LS3 1LF



# REGAL FOOD PRODUCTS GROUP PLC

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MAY 2012

	Notes	2012 £	2011 £
Turnover	2	5,202,791	3,385,065
Cost of sales		(4,301,055)	(2,689,389)
<b>Gross profit</b>		<b>901,736</b>	<b>695,676</b>
Distribution costs		(132,141)	(111,846)
Administrative expenses		(544,587)	(373,267)
Other operating income		25,835	-
<b>Operating profit</b>	<b>3</b>	<b>250,843</b>	<b>210,563</b>
Other interest receivable and similar income	4	695	-
Interest payable and similar charges	5	(69,727)	(31,682)
<b>Profit on ordinary activities before taxation</b>		<b>181,811</b>	<b>178,881</b>
Tax on profit on ordinary activities	6	(12,977)	(39,762)
<b>Profit for the year</b>	<b>16</b>	<b>168,834</b>	<b>139,119</b>

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

# REGAL FOOD PRODUCTS GROUP PLC

## BALANCE SHEET

AS AT 31 MAY 2012

	Notes	2012 £	£	2011 £	£
<b>Fixed assets</b>					
Intangible assets	8		7,685		13,465
Tangible assets	9		687,977		386,855
Investments	10		1		1
			<u>695,663</u>		<u>400,321</u>
<b>Current assets</b>					
Stocks	11	249,950		185,988	
Debtors	12	871,111		671,786	
Cash at bank and in hand		25,624		46,494	
		<u>1,146,685</u>		<u>904,268</u>	
<b>Creditors' amounts falling due within one year</b>	13	<u>(1,398,751)</u>		<u>(958,151)</u>	
<b>Net current liabilities</b>			<u>(252,066)</u>		<u>(53,883)</u>
<b>Total assets less current liabilities</b>			<u>443,597</u>		<u>346,438</u>
<b>Creditors' amounts falling due after more than one year</b>	14		(166,556)		(102,218)
<b>Provisions for liabilities</b>	15		(38,956)		(38,956)
			<u>238,085</u>		<u>205,264</u>
<b>Capital and reserves</b>					
Called up share capital	17		50,008		50,005
Profit and loss account	16		188,077		155,259
<b>Shareholders' funds</b>	18		<u>238,085</u>		<u>205,264</u>

# **REGAL FOOD PRODUCTS GROUP PLC**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 MAY 2012**

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Approved by the Board and authorised for issue on 26 November 2012



**Mr M Youris**  
**Director**

**Company Registration No 07037738**

# REGAL FOOD PRODUCTS GROUP PLC

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MAY 2012

	2012	2011
£	£	£
<b>Net cash inflow from operating activities</b>	<b>417,373</b>	<b>218,526</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	695	-
Interest paid	(69,727)	(31,682)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(69,032)</b>	<b>(31,682)</b>
<b>Taxation</b>	<b>(7,585)</b>	<b>-</b>
<b>Capital expenditure</b>		
Payments to acquire intangible assets	(1,288)	(4,615)
Payments to acquire tangible assets	(382,568)	(266,550)
Receipts from sales of tangible assets	-	5,499
<b>Net cash outflow for capital expenditure</b>	<b>(383,856)</b>	<b>(265,666)</b>
<b>Equity dividends paid</b>	<b>(136,016)</b>	<b>(17,368)</b>
<b>Net cash outflow before management of liquid resources and financing</b>	<b>(179,116)</b>	<b>(96,190)</b>
<b>Financing</b>		
Issue of ordinary share capital	3	-
New long term bank loan	108,000	160,000
Other new long term loans	160,000	-
Repayment of long term bank loan	(45,073)	(17,782)
Repayment of other long term loans	(43,333)	-
Capital element of hire purchase contracts	-	(55,797)
<b>Net cash inflow from financing</b>	<b>179,591</b>	<b>86,421</b>
<b>(Decrease)/increase in cash in the year</b>	<b>481</b>	<b>(9,769)</b>

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MAY 2012

1	Reconciliation of operating profit to net cash outflow from operating activities	2012	2011		
		£	£		
	Operating profit	250,843	210,563		
	Depreciation of tangible assets	81,446	27,085		
	Amortisation of intangible assets	7,068	5,607		
	Profit on disposal of tangible assets	-	(2,572)		
	Increase in stocks	(63,962)	(80,855)		
	Increase in debtors	(199,325)	(488,798)		
	Increase in creditors within one year	341,303	547,496		
	Net cash inflow from operating activities	417,373	218,526		
2	Analysis of net debt	1 June 2011	Cash flow	Other non-cash changes	31 May 2012
		£	£	£	£
	Net cash				
	Cash at bank and in hand	46,494	(20,870)	-	25,624
	Bank overdrafts	(56,177)	21,351	-	(34,826)
		(9,683)	481	-	(9,202)
	Bank deposits	-	-	-	-
	Debt				
	Debts falling due within one year	(40,000)	(115,256)	-	(155,256)
	Debts falling due after one year	(102,218)	(64,338)	-	(166,556)
		(142,218)	(179,594)	-	(321,812)
	Net debt	(151,901)	(179,113)	-	(331,014)
3	Reconciliation of net cash flow to movement in net debt	2012	2011		
		£	£		
	Increase/(decrease) in cash in the year	481	(9,769)		
	Cash inflow from increase in debt	(179,594)	(86,421)		
	Movement in net debt in the year	(179,113)	(96,190)		
	Opening net debt	(151,901)	(55,711)		
	Closing net debt	(331,014)	(151,901)		

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MAY 2012**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Regal Investments UK Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

#### **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.

#### **1.3 Turnover**

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

#### **1.4 Research and development**

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

#### **1.5 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 less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	10% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	33 33% straight line

#### **1.6 Leasing**

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

#### **1.7 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

#### **1.8 Stock**

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

#### **1.9 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### **1.10 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2012

### 1 Accounting policies (Continued)

### 2 Turnover

The information in respect of international sales by country does not exist for 2012 or the preceding year. The directors feel that to extract the information the cost involved would outweigh the benefit to the readers.

3 Operating profit	2012 £	2011 £
Operating profit is stated after charging		
Amortisation of intangible assets	7,068	5,607
Depreciation of tangible assets	81,446	27,085
Loss on foreign exchange transactions	-	1,733
Operating lease rentals		
- Plant and machinery	2,214	13,285
and after crediting		
Profit on disposal of tangible assets	-	(2,572)
Profit on foreign exchange transactions	(1,858)	-
	<u>          </u>	<u>          </u>

### Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts	2,000	2,000
Business advisory	9,182	8,668
Taxation	2,000	1,950
	<u>13,182</u>	<u>12,618</u>

4 Investment income	2012 £	2011 £
Bank interest	19	-
Other interest	676	-
	<u>695</u>	<u>-</u>

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

<b>5</b>	<b>Interest payable</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	10,152	8,000
	On other loans wholly repayable within five years	23,876	4,714
	On overdue tax	92	-
	On amounts payable to factors	35,607	18,968
		<u>69,727</u>	<u>31,682</u>
<b>6</b>	<b>Taxation</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	12,977	-
	Adjustment for prior years	-	806
	<b>Total current tax</b>	<u>12,977</u>	<u>806</u>
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	-	38,956
		<u>12,977</u>	<u>39,762</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>181,811</u>	<u>178,881</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2011 - 21.00%)	<u>36,362</u>	<u>37,565</u>
	Effects of		
	Non deductible expenses	8	131
	Depreciation add back	17,703	6,325
	Capital allowances	(41,096)	(32,749)
	Adjustments to previous periods	-	806
	Other tax adjustments	-	(11,272)
		<u>(23,385)</u>	<u>(36,759)</u>
	<b>Current tax charge for the year</b>	<u>12,977</u>	<u>806</u>



# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

7	Dividends	2012	2011
		£	£
	Ordinary interim paid	136,016	17,368
8	Intangible fixed assets		Development
			Costs
	Cost		£
	At 1 June 2011		20,347
	Additions		1,288
	At 31 May 2012		21,635
	Amortisation		
	At 1 June 2011		6,882
	Charge for the year		7,068
	At 31 May 2012		13,950
	Net book value		
	At 31 May 2012		7,685
	At 31 May 2011		13,465

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

### 9 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 June 2011	277,205	112,299	28,425	417,929
Additions	99,252	260,716	22,600	382,568
At 31 May 2012	376,457	373,015	51,025	800,497
<b>Depreciation</b>				
At 1 June 2011	16,834	7,137	7,103	31,074
Charge for the year	32,953	33,172	15,321	81,446
At 31 May 2012	49,787	40,309	22,424	112,520
<b>Net book value</b>				
At 31 May 2012	326,670	332,706	28,601	687,977
At 31 May 2011	260,371	105,162	21,322	386,855

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

### 10 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 June 2011 & at 31 May 2012	1
<b>Net book value</b>	
At 31 May 2012	1
At 31 May 2011	1

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held	%
<b>Subsidiary undertakings</b>				
Regal Food Products Limited	England & Wales	Ordinary		100 00
<b>Participating interests</b>				
The Baking Company LLP	England and Wales			100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2012 £	Profit/(loss) for the year 2012 £
	<b>Principal activity</b>		
Regal Food Products Limited	Dormant	1	-
The Baking Company LLP	Bakery	(12,943)	(12,943)

### 11 Stocks

	2012 £	2011 £
Finished goods and goods for resale	249,950	185,988

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

12 Debtors	2012 £	2011 £
Trade debtors	779,299	486,631
Amounts owed by parent and fellow subsidiary undertakings	-	79,799
Other debtors	47,405	52,995
Prepayments and accrued income	44,407	52,361
	<u>871,111</u>	<u>671,786</u>

Amounts falling due after more than one year and included in the debtors above are

	2012 £	2011 £
Amounts owed by group undertakings	<u>-</u>	<u>79,799</u>

13 Creditors amounts falling due within one year	2012 £	2011 £
Bank loans and overdrafts	110,082	96,177
Trade creditors	791,057	589,145
Amounts owed to parent and fellow subsidiary undertakings	13,500	-
Amounts owed to subsidiary undertakings	1	1
Corporation tax	12,973	7,581
Other taxes and social security costs	27,534	4,688
Directors' current accounts	657	-
Other creditors	433,397	248,346
Accruals and deferred income	9,550	12,213
	<u>1,398,751</u>	<u>958,151</u>

Bank facilities are secured by a debenture pledged over the assets of Regal Food Products Group plc

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2012

<b>14</b>	<b>Creditors' amounts falling due after more than one year</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Bank loans	129,889	102,218
	Other loans	36,667	-
		<u>166,556</u>	<u>102,218</u>
	<b>Analysis of loans</b>		
	Wholly repayable within five years	321,812	142,218
		<u>321,812</u>	<u>142,218</u>
	Included in current liabilities	(155,256)	(40,000)
		<u>166,556</u>	<u>102,218</u>
	<b>Loan maturity analysis</b>		
	In more than one year but not more than two years	61,600	40,000
	In more than two years but not more than five years	104,956	62,218
		<u>166,556</u>	<u>102,218</u>
<b>15</b>	<b>Provisions for liabilities</b>		
			<b>Deferred tax liability</b>
			<b>£</b>
	Balance at 1 June 2011& at 31 May 2012		<u>38,956</u>
	<b>The deferred tax liability is made up as follows</b>		
		<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	Accelerated capital allowances	<u>38,956</u>	<u>38,956</u>

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

### 16 Statement of movements on profit and loss account

#### Profit and loss account

£

Balance at 1 June 2011	155,259
Profit for the year	168,834
Dividends paid	(136,016)
Balance at 31 May 2012	188,077

### 17 Share capital

2012

2011

£

£

#### Allotted, called up and fully paid

50,000 Ordinary shares of £1 each	50,000	50,000
1 B share of £1 each	1	1
1 C share of £1 each	1	1
1 D share of £1 each	1	1
1 E share of £1 each	1	1
1 F share of £1 each	1	1
1 G share of £1 each	1	-
2 H share of £1 each	2	-
	50,008	50,005

### 18 Reconciliation of movements in shareholders' funds

2012

2011

£

£

Profit for the financial year	168,834	139,119
Dividends	(136,016)	(17,368)
Proceeds from issue of shares	-	50,005
Net addition to shareholders' funds	32,818	83,513
Opening shareholders' funds	205,264	-
Closing shareholders' funds	238,085	205,264

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MAY 2012

#### 19 Financial commitments

At 31 May 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 May 2013

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Operating leases which expire				
Within one year	-	-	-	13,285
Between two and five years	140,400	140,400	-	-
	<u>140,400</u>	<u>140,400</u>	<u>-</u>	<u>13,285</u>

#### 20 Capital commitments

2012	2011
£	£

At 31 May 2012 the company had capital commitments as follows

Contracted for but not provided in the financial statements	-	60,000
	<u>-</u>	<u>60,000</u>

#### 21 Directors' remuneration

2012	2011
£	£

Remuneration for qualifying services	14,636	12,777
	<u>14,636</u>	<u>12,777</u>

# REGAL FOOD PRODUCTS GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2012

### 22 Employees

#### Number of employees

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

	2012 Number	2011 Number
Administration	6	4
Sales	7	7
Warehouse	8	6
Drivers	4	3
	<u>25</u>	<u>20</u>

#### Employment costs

	2012 £	2011 £
Wages and salaries	228,981	162,205
Social security costs	10,968	7,593
	<u>239,949</u>	<u>169,798</u>

### 23 Control

The parent company is Regal Investments UK Limited, a company incorporated in England

That company is wholly owned by Mohammed Younis, a director of this company

### 24 Related party relationships and transactions

#### Dividends to Directors

Dividends were paid during the year of £56,700 to Mr M Younis and his wife and £3,604 to Mr M A Chaudhry

#### Other transactions

Rent and service charges of £140,400 (2010 £140,400) was paid to Regal Investments UK Limited. At the balance sheet date, £13,500 was owed to (2011 £79,799 was owed by) Regal Investments UK Limited, the parent company

The director, M Younis, has given a personal guarantee in order to support the overdraft facility on one of the Company's bank accounts