

Registrar

Company Registration No. SCO37050 (Scotland)

WALTER BLACK FOODS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 11 MARCH 2013

SATURDAY



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WALTER BLACK FOODS LIMITED

COMPANY INFORMATION

Directors	Walter C Black Stuart S Black
Secretary	Stuart S Black
Company number	SCO37050
Registered office	3 Drumhead Road Cambuslang Investment Park Glasgow G32 8EX
Auditors	Wylie & Bisset LLP 168 Bath Street Glasgow G2 4TP
Bankers	The Royal Bank of Scotland plc 1304 Duke Street Parkhead Glasgow G31 5PZ
Solicitors	Adie Hunter 15 Newton Terrace Glasgow G3 7PJ

WALTER BLACK FOODS LIMITED

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WALTER BLACK FOODS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 11 MARCH 2013

The directors present their report and financial statements for the year ended 11 March 2013.

Principal activities and review of the business

The principal activity of the company continued to be that of the manufacture and distribution of household products.

The small pre-tax loss for the year compares to a small pre-tax profit, after adjusting for exceptional items, in the prior year, and is significantly below what the company requires.

The market place remains extremely competitive with the ability to pass on raw material and distribution price increases proving difficult. This therefore continues to create margin pressures. Efforts are being made to concentrate on improving margin performance.

The company made a small acquisition to add to its vinegar portfolio which has now been successfully integrated, and it is hoped this will help grow that area of the business. The costs of this acquisition had an impact upon the results for the year.

Expansion of the Glasgow warehouse was completed in April 2013 and additional premises have been leased in Swinton - both will reduce space pressures.

The allocation of precious working capital remains a constant issue as other competing pressures exist in the business, however the directors are of the view that selective investments at this time are vital to enable a return to a more sustainable level of profit and cash generation. The directors remain comfortable with the level of cash which is sufficient for its day to day operations.

Directors

The following directors have held office since 12 March 2012:

Walter C Black
Stuart S Black

Auditors

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

WALTER BLACK FOODS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 11 MARCH 2013

Statement of Directors' responsibilities

The directors are responsible for preparing the Director's 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 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 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.

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. The directors have taken all steps which they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Walter C Black

Secretary

4 December 2013

WALTER BLACK FOODS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WALTER BLACK FOODS LIMITED

We have audited the financial statements of Walter Black Foods Limited for the year ended 11 March 2013 set out on pages 4 to 15. 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 Sections 495 and 496 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 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 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 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 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

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.

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 11 March 2013 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 period for which the financial statements are prepared is consistent with the financial statements.

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.

Allister Gray

**Allister Gray (Senior Statutory Auditor)
For and on behalf of Wylie & Bisset LLP**

4 December 2013

Chartered Accountants
Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

WALTER BLACK FOODS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 11 MARCH 2013**

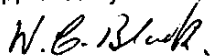
	Notes	2013 £	2012 £
Turnover	2	10,546,325	9,489,206
Cost of sales		(9,081,548)	(8,085,267)
Gross profit		1,464,777	1,403,939
Distribution costs		(789,840)	(691,563)
Administration expenses		(697,094)	(692,444)
Administration expenses - exceptional items		0	419,840
Operating (loss) / profit	3	(22,157)	439,772
Other interest receivable and similar income	4	1,458	1,228
Interest payable and similar charges	5	0	0
Loss / (profit) on ordinary activities before taxation		(20,699)	441,000
Tax on profit on ordinary activities	6	33,802	5,278
Profit on ordinary activities after taxation	16	13,103	446,278

WALTER BLACK FOODS LIMITED
COMPANY NUMBER SC037050

BALANCE SHEET
AS AT 11 MARCH 2013

	Notes	2013		2012	
		£	£	£	£
Fixed assets					
Intangible fixed assets	8		110,770		0
Tangible assets	9		297,204		308,411
			<u>407,974</u>		<u>308,411</u>
Current assets					
Stocks	10	840,298		734,800	
Debtors	11	2,039,257		1,139,410	
Cash at bank and in hand		560,375		1,318,478	
		<u>3,439,930</u>		<u>3,192,688</u>	
Creditors: amounts falling due within one year	12	<u>(1,311,331)</u>		<u>(973,657)</u>	
Net current assets			<u>2,128,599</u>		<u>2,219,031</u>
Total assets less current liabilities			<u>2,536,573</u>		<u>2,527,442</u>
Provisions for liabilities and charges	13		(14,486)		(18,458)
			<u>2,522,087</u>		<u>2,508,984</u>
Capital and reserves					
Called up share capital	15		15,000		15,000
Profit and loss account	16		2,507,087		2,493,984
Shareholders' funds	17		<u>2,522,087</u>		<u>2,508,984</u>

Approved by the Board for issue on 4 December 2013


Walter C Black
Director

WALTER BLACK FOODS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 11 MARCH 2013**

	2013	2012
	£	£
Net cash (outflow) / inflow from operating activities	(584,149)	149,034
Returns on investments and servicing of finance		
Interest received	1,458	1,228
Interest paid	0	0
Net cash inflow for returns on investments and servicing of finance	1,458	1,228
Taxation	19,845	(47,031)
Dividends paid	0	0
Capital expenditure		
Payments to acquire intangible assets	(120,000)	0
Payments to acquire tangible assets	(75,257)	(57,431)
Receipts from sales of tangible assets	0	16,400
Net cash (outflow) for capital expenditure	(195,257)	(41,031)
(Decrease) / increase in cash in the period	(758,103)	62,200

WALTER BLACK FOODS LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 11 MARCH 2013**

1 Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities

	2013	2012
	£	£
Operating (loss) / profit	(22,157)	439,772
Depreciation of tangible assets	92,824	92,474
Loss on disposal of tangible assets	2,870	136
(Increase) / decrease in stocks	(105,498)	2,538
(Increase) / decrease in debtors	(899,847)	306,455
Increase / (decrease) in creditors within one year	347,659	(692,341)
Net cash (outflow)/inflow from operating activities	(584,149)	149,034

2 Analysis of net debt

	12 March 2012	Cash flow	Other non- cash changes	11 March 2013
	£	£	£	£
Net cash:				
Cash at bank and in hand	1,318,478	(758,103)		560,375
	1,318,478	(758,103)		560,375

3 Reconciliation of net cash flow to movement in net cash

	2013	2012
	£	£
(Decrease) / increase in cash in the period	(758,103)	62,200
Movement in net cash in the period	(758,103)	62,200
Opening net cash	1,318,478	1,256,278
Closing net cash	560,375	1,318,478

WALTER BLACK FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

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

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

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

Leasehold improvements	10%	straight line
Plant and machinery	10%	straight line
Fixtures, fittings & equipment	10%/33%	straight line
Motor vehicles	25%	reducing balance

1.5 Leasing

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

1.6 Investments

Current asset investments are stated at the lower of cost and net realisable value.

1.7 Stock

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

1.8 Pensions

Pension contributions are charged to the profit and loss account so as to spread the cost of pension over the employees working lives with the company. These contributions are invested separately from the company's assets.

1.9 Deferred taxation

In accordance with Financial Reporting Standard 19, deferred taxation is provided in full at the appropriate rates on all timing differences with the exception of any differences arising on revaluations of non-monetary assets and gains rolled over. The deferred tax balance has not been discounted.

1.10 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

WALTER BLACK FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2013

2 Turnover

All turnover takes place within the United Kingdom.

3 Operating (loss)/profit

	2013	2012
	£	£
Operating (loss)/profit is stated after charging:		
Depreciation of tangible assets	83,594	92,474
Loss on disposal of tangible assets	2,870	136
Operating lease rentals	219,172	203,545
Auditors' remuneration	11,435	9,750
and after crediting:		
Inter-company loan written back	0	419,840
	<hr/>	<hr/>

4 Investment income

	2013	2012
	£	£
Bank interest	1,458	1,228
	<hr/>	<hr/>

5 Interest payable

	2013	2012
	£	£
Bank interest	0	0
	<hr/>	<hr/>

WALTER BLACK FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2013

6 Taxation	2013	2012
	£	£
Domestic current period tax		
U.K. corporation tax	1,750	14,627
Adjustment in respect of prior years	(31,580)	0
Current tax charge	(29,830)	14,627
Deferred tax		
Deferred tax charge / (credit)	(3,972)	(19,905)
	(33,802)	(5,278)
Factors affecting the tax charge for the period		
(Loss)/profit on ordinary activities before taxation	(20,699)	441,000
(Loss) /profit on ordinary activities before taxation multiplied by standard rate of U.K. corporation tax of 20% (2012 - 21/20%)	(4,140)	90,405
Effects of:		
Non allowable expenses	4,338	0
Capital allowances exceeded by excess of depreciation	3,398	7,647
Adjustment in respect of prior years	(31,580)	0
Other tax adjustments	(1,846)	(83,425)
	(25,690)	(75,778)
Current tax charge	(29,830)	14,627
7 Dividends	2013	2012
	£	£
Ordinary dividend written back	0	(3,000)
8 Intangible fixed assets		Goodwill
		£
Cost		
At 12 March 2012		0
Additions		120,000
At 11 March 2013		120,000
Amortisation		
At 12 March 2012		0
Charge for the year		9,230
At 11 March 2013		9,230
Net book value		
At 11 March 2013		110,770
At 11 March 2012		0

The goodwill arose on the acquisition by the company of the trade of Kings Vinegars.

WALTER BLACK FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 11 MARCH 2013**

9 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles etc	Total
	£	£	£	£	£
Cost					
At 12 March 2012	0	2,528,067	158,422	234,635	2,921,124
Additions	72,257	0	3,000	0	75,257
Disposals	0	0	0	(16,390)	(16,390)
At 11 March 2013	72,257	2,528,067	161,422	218,245	2,979,991
Depreciation					
At 12 March 2012	0	2,362,635	156,952	93,126	2,612,713
On disposals	0	0	0	(13,520)	(13,520)
Charge for the year	5,004	41,516	1,701	35,373	83,594
At 11 March 2013	5,004	2,404,151	158,653	114,979	2,682,787
Net book value					
At 11 March 2013	67,253	123,916	2,769	103,266	297,204
At 11 March 2012	0	165,432	1,470	141,509	308,411

10 Stocks

	2013 £	2012 £
Finished goods and goods for resale	840,298	734,800

11 Debtors

	2013 £	2012 £
Trade debtors	1,226,777	980,954
Amounts owed by parent undertakings	600,000	0
Other debtors	158,205	122,466
Prepayments and accrued income	54,275	35,990
	2,039,257	1,139,410

WALTER BLACK FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 11 MARCH 2013**

12 Creditors: amounts falling due within one year	2013	2012
	£	£
Trade creditors	1,203,963	853,275
Other taxes and social security costs	37,742	34,565
Corporation tax	1,926	11,911
Accruals and deferred income	67,700	73,906
	<u>1,311,331</u>	<u>973,657</u>

The Royal Bank of Scotland plc holds a bond and floating charge over all the assets and undertakings of the company.

13 Provision for liabilities and charges

	Deferred taxation £
Balance at 12 March 2012	18,458
Profit and loss account	(3,972)
Balance at 11 March 2013	<u>14,486</u>

Deferred taxation provided in the financial statements is as follows:

	2013	Fully provided 2012
	£	£
Accelerated capital allowances	<u>14,486</u>	<u>18,458</u>

WALTER BLACK FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2013

14 Pension costs	2013	2012
	£	£
Defined contributions		
Contributions payable by the company for the period	43,072	46,901
	<hr/>	<hr/>
15 Share Capital	2013	2012
	£	£
Authorised		
15,000 Ordinary shares of £1 each	15,000	15,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
15,000 Ordinary shares of £1 each	15,000	15,000
	<hr/>	<hr/>
16 Statement of movements on profit and loss account		Profit and loss account £
Balance at 1 March 2012		2,493,984
Profit for the period		13,103
Dividends		0
		<hr/>
Balance at 11 March 2013		2,507,087
		<hr/>

WALTER BLACK FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 11 MARCH 2013**

17 Reconciliation of movements in shareholders' funds	2013	2012
	£	£
Profit for the financial period	13,103	446,278
Dividends	0	3,000
	<hr/>	<hr/>
Net change in shareholders' funds	13,103	449,278
Opening shareholders' funds	2,508,984	2,059,706
	<hr/>	<hr/>
Closing shareholders' funds	2,522,087	2,508,984
	<hr/>	<hr/>

18 Financial commitments

At 11 March 2013, the company had annual commitments under non-cancellable operating leases as follows:

	2013	2012
	£	£
Land and buildings		
Expiring after five years	24,000	0
	<hr/>	<hr/>
	24,000	0
	<hr/>	<hr/>
Plant & machinery		
Expiring within one year	9,000	23,318
Expiring between two and five years	42,092	0
	<hr/>	<hr/>
	51,092	23,318
	<hr/>	<hr/>

19 Directors' emoluments

	2013	2012
	£	£
Emoluments for qualifying services	103,158	102,846
Company pension contributions to money purchase schemes	15,304	15,304
	<hr/>	<hr/>
	118,462	118,150
	<hr/>	<hr/>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2012 - 1).

WALTER BLACK FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2013

20 Employees

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

	2013	2012
	No.	No.
Directors	2	2
Production	63	39
Distribution	12	17
Selling	6	6
Office and administration	12	9
	<hr/>	<hr/>
	95	73
	<hr/>	<hr/>

Employment costs	2013	2012
	£	£
Wages and salaries	1,761,338	1,595,783
Social security costs	139,505	128,810
Other pension costs	43,072	46,901
	<hr/>	<hr/>
	1,943,915	1,771,494
	<hr/>	<hr/>

21 Control

The ultimate parent company is Walter Black (Holdings) Limited a company registered in Scotland.

22 Related party transactions

Other debtors includes £600,000 (2012 - £Nil) in respect of Walter Black (Manufacturing) Ltd.

The company paid £86,000 (2012 - £86,000) to Walter Black (Properties) Limited in respect of rent.