

REGISTRAR

Company Registration No. SCO37050 (Scotland)

**WALTER BLACK FOODS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 11 MARCH 2017**  
**PAGES FOR FILING WITH REGISTRAR**

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## **WALTER BLACK FOODS LIMITED**

### **COMPANY INFORMATION**

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

## **WALTER BLACK FOODS LIMITED**

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## **WALTER BLACK FOODS LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 11 MARCH 2017**

The directors present their report and financial statements for the period ended 11 March 2017.

#### **Business Overview**

The principal activity of the company is as a manufacturer and distributor of household products. It operates from premises in central Scotland and South Yorkshire. It specialises in the production of sauces and condiments.

#### **Business Model, Markets and Trends**

The company trades as Walter Black Foods and manufactures for its own brands as well as those of its customers.

Management carefully review material costs in order to ensure that products are competitively priced, however the food supply industry, especially the high street retailers, is extremely competitive.

#### **Objectives**

Management believe the company is well positioned within its chosen markets to be able to attract new customers and service its present customer base. The objective is to retain and grow our position within our chosen markets.

#### **Strategy**

The company operates within a mature market and industry with long established customers. The company will continue to develop its offering in its chosen trading areas and in particular it will continue to develop its products in response to market demands.

#### **KPI's and Risk**

The company's key financial indicators are:- sales, gross profit, EBIT, net current assets and balance sheet net worth.

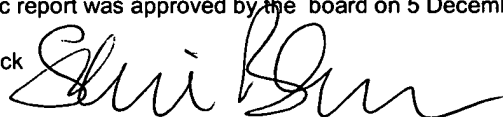
#### **Performance review**

The pre-tax loss is a disappointment and reflects slightly reduced sales and significantly reduced margin, with increased wage costs being the key factor. The increase in minimum wage rates is having a major impact on costs, with this being outwith the control of the company. Future planned increases in minimum wage will create challenges in coming years. Food prices continue to be under significant pressure in the wider economy, and overall the marketplace remains very challenging.

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.

The strategic report was approved by the board on 5 December 2017.

Stuart S Black  
Director



## **WALTER BLACK FOODS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 11 MARCH 2017**

The directors present their annual report and financial statements for the year ended 11 March 2017.

#### **Principal activities**

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

#### **Directors**

The following directors have held office since 12 March 2016:

Walter C Black  
Stuart S Black

#### **Results**

The results for year are set out on page 5.

No dividends are payable.

#### **Auditors**

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

#### **Statement of disclosure to auditors**

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

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

Stuart S Black

**Secretary**

5 December 2017



## **WALTER BLACK FOODS LIMITED**

### **DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 11 MARCH 2017**

The directors are responsible for preparing the annual 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;
- 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.

## **WALTER BLACK FOODS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WALTER BLACK FOODS LIMITED**

We have audited the financial statements of Walter Black Foods Limited for the year ended 11 March 2017 set out on pages 5 to 18. 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 Director's Responsibilities Statement set out on page 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 11 March 2017, and of its loss 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 Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

  
**Scott Gillon BAcc FCCA (Senior Statutory Auditor)**  
for and on behalf of Wylie & Bisset LLP

5 December 2017

Chartered Accountants  
Statutory Auditor

168 Bath Street  
Glasgow  
G2 4TP

**WALTER BLACK FOODS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 11 MARCH 2017**

	Notes	2017 £	2016 £
Turnover	3	8,476,003	8,715,861
Cost of sales		(6,950,218)	(7,012,037)
<b>Gross profit</b>		<b>1,525,785</b>	<b>1,703,824</b>
Distribution costs		(694,678)	(663,856)
Administration expenses		(839,488)	(828,910)
Other operating income		4,680	6,192
<b>Operating (loss) / profit</b>	<b>4</b>	<b>(3,701)</b>	<b>217,250</b>
Other interest receivable and similar income	7	984	1,054
Interest payable and similar charges	8	(130)	(63)
<b>(Loss) / profit on ordinary activities before taxation</b>		<b>(2,847)</b>	<b>218,241</b>
Tax on loss / profit on ordinary activities	9	(13,491)	(55,229)
<b>(Loss) / profit for the financial period</b>		<b>(16,338)</b>	<b>163,012</b>

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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 11 MARCH 2017**

	2017 £	2016 £
Profit for the period	(16,338)	163,012
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>(16,338)</b>	<b>163,012</b>



**WALTER BLACK FOODS LIMITED**  
**COMPANY NUMBER**

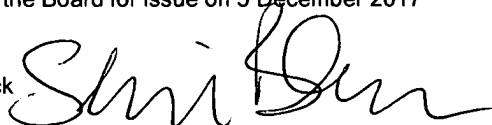
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**BALANCE SHEET**  
**AS AT 11 MARCH 2017**

	Notes	2017 £	2016 £
<b>Fixed assets</b>			
Intangible fixed assets	10	423,588	535,388
Tangible assets	11	255,850	260,899
		<u>679,438</u>	<u>796,287</u>
<b>Current assets</b>			
Stocks	13	730,480	587,784
Debtors	14	1,733,773	1,749,412
Cash at bank and in hand		1,041,104	842,028
		<u>3,505,357</u>	<u>3,179,224</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,193,610)</u>	<u>(967,676)</u>
<b>Net current assets</b>		2,311,747	2,211,548
<b>Total assets less current liabilities</b>		<u>2,991,185</u>	<u>3,007,835</u>
<b>Provisions for liabilities and charges</b>	16	(8,161)	(8,473)
<b>Net assets</b>		<u>2,983,024</u>	<u>2,999,362</u>
<b>Capital and reserves</b>			
Called up share capital	18	15,000	15,000
Profit and loss reserves		2,968,024	2,984,362
<b>Total equity</b>		<u>2,983,024</u>	<u>2,999,362</u>

Approved by the Board for issue on 5 December 2017

Stuart S Black  
Director



**WALTER BLACK FOODS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 11 MARCH 2017**

	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 12 March 2015</b>	15,000	2,821,350	2,836,350
<b>Year ended 11 March 2016</b>			
Profit for the period	-	163,012	163,012
<b>Balance at 11 March 2016</b>	<u>15,000</u>	<u>2,984,362</u>	<u>2,999,362</u>
<b>Year ended 11 March 2017</b>			
(Loss) / profit for the period	-	(16,338)	(16,338)
<b>Balance at 11 March 2017</b>	<u>15,000</u>	<u>2,968,024</u>	<u>2,983,024</u>

**WALTER BLACK FOODS LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 11 MARCH 2017**

	2017	2016
	£	£
<b>Cash flows from operating activities</b>		
Cash generated from operations (note 22)	324,923	386,248
Interest paid	(130)	(63)
Taxes paid	(59,266)	(53,274)
	<hr/>	<hr/>
<b>Net cash inflow from operating activities</b>	265,527	332,911
<b>Financing activities</b>		
Purchase of intangible fixed assets	0	(499,000)
Purchase of tangible fixed assets	(74,735)	(56,295)
Proceeds on disposal of tangible fixed assets	7,300	18,945
Interest received	984	1,054
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	(66,451)	(535,296)
	<hr/>	<hr/>
<b>Net increase / (decrease) in cash and cash equivalents</b>	199,076	(202,385)
	<hr/>	<hr/>
Cash and cash equivalents at beginning of year	842,028	1,044,413
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	1,041,104	842,028
	<hr/>	<hr/>

# WALTER BLACK FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

### 1 Accounting policies

#### Company Information

Walter Black Foods Limited is a company limited by shares incorporated in Scotland. The registered office is 3 Drumhead Road, Cambuslang Investment Park, Glasgow G32 8EX.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Revenue is recognised when the goods are dispatched.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of between 5 and 10 years. The goodwill relating to the acquisition of Kings Vinegar is being written off over 10 years in line with the profitability from this income stream. Provision is made for any impairment.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less residual values over their useful lives on the following bases:

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## WALTER BLACK FOODS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

#### 1 Accounting policies (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit and loss. Reversals of impairment losses are also recognised in profit and loss.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is no intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

## WALTER BLACK FOODS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

#### 1 Accounting policies (continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **1.10 Equity Instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.11 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

## WALTER BLACK FOODS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

#### 1 Accounting policies (continued)

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### **1.14 Operating Leases**

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

##### **1.15 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.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# WALTER BLACK FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

### 3 Turnover

All turnover takes place within the United Kingdom.

### 4 Operating profit

	2017	2016
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	71,205	79,576
Amortisation of goodwill	111,800	50,384
Loss on disposal of tangible assets	1,279	704
Operating lease rentals	214,431	211,428
Auditors' remuneration	12,790	12,350

### 5 Employees

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

	2017	2016
	No.	No.
Directors	2	2
Production	49	51
Distribution	11	11
Selling	6	6
Office and administration	11	10
	<hr/> 79	<hr/> 80

Their aggregate remuneration comprised:

	2017	2016
	£	£
Wages and salaries	1,686,493	1,582,287
Social security costs	124,336	126,168
Other pension costs	64,184	77,634
	<hr/> 1,875,013	<hr/> 1,786,089

### 6 Directors' emoluments

	2017	2016
	£	£
Emoluments for qualifying services	103,703	102,625
Company pension contributions to money purchase schemes	841	15,304
	<hr/> 104,544	<hr/> 117,929

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2016 - 1).

### 7 Other interest receivable and similar income

	2017	2016
	£	£
Interest on bank deposits	984	1,054

### 8 Interest payable and similar charges

	2017	2016
	£	£
Bank interest	130	63



# WALTER BLACK FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

<b>9 Taxation</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Domestic current period tax</b>		
U.K. corporation tax	13,803	59,033
<b>Current tax charge</b>	<b>13,803</b>	<b>59,033</b>
<b>Deferred tax</b>		
Deferred tax (credit)	(312)	(3,804)
	<b>13,491</b>	<b>55,229</b>
<b>Factors affecting the tax charge for the period</b>		
Profit on ordinary activities before taxation	(2,847)	218,241
Profit on ordinary activities before taxation multiplied by standard rate of U.K. corporation tax of 20% (2016 - 20%)	(569)	43,648
Effects of:		
Non allowable expenses	20,216	9,133
Capital allowances exceeded by excess of depreciation	(3,813)	6,092
Adjustment in respect of prior years	0	0
Other tax adjustments	(2,031)	160
	<b>14,372</b>	<b>15,385</b>
<b>Current tax charge</b>	<b>13,803</b>	<b>59,033</b>

<b>10 Intangible fixed assets</b>	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 12 March 2016	619,000
Additions	0
At 11 March 2017	<b>619,000</b>
<b>Amortisation</b>	
At 12 March 2016	83,612
Charge for the year	111,800
At 11 March 2017	<b>195,412</b>
<b>Net book value</b>	
At 11 March 2017	<b>423,588</b>
At 11 March 2016	<b>535,388</b>

The goodwill arose on the acquisition by the company of the trade of Kings Vinegars and Country Style Products.

# WALTER BLACK FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

### 11 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles etc.	Total
	£	£	£	£	£
<b>Cost</b>					
At 12 March 2016	72,257	2,580,567	151,115	217,300	3,021,239
Additions	0	0	56,740	17,995	74,735
Disposals	0	0	0	(21,825)	(21,825)
At 11 March 2017	72,257	2,580,567	207,855	213,470	3,074,149
<b>Depreciation</b>					
At 12 March 2016	26,688	2,496,241	146,535	90,876	2,760,340
On disposals	0	0	0	(13,246)	(13,246)
Charge for the year	7,228	19,884	11,560	32,533	71,205
At 11 March 2017	33,916	2,516,125	158,095	110,163	2,818,299
<b>Net book value</b>					
At 11 March 2017	38,341	64,442	49,760	103,307	255,850
At 11 March 2016	45,569	84,326	4,580	126,424	260,899

### 12 Financial instruments

	2017	2016
	£	£
<b>Carrying amount of financial assets</b>	0	0
Debt instruments measured at amortised cost	1,679,744	1,703,307
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,137,159	867,496

### 13 Stocks

	2017	2016
	£	£
Finished goods and goods for resale	730,480	587,784

### 14 Debtors

	2017	2016
	£	£
Trade debtors	969,362	983,271
Amounts owed by parent undertakings	609,044	600,094
Other debtors	101,338	119,942
Prepayments and accrued income	54,029	46,105
	1,733,773	1,749,412

# WALTER BLACK FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

<b>15 Creditors: amounts falling due within one year</b>	<b>2017 £</b>	<b>2016 £</b>
Trade creditors	1,081,609	797,763
Other taxes and social security costs	42,800	41,066
Corporation tax	13,651	59,114
Accruals and deferred income	55,550	69,733
	<u>1,193,610</u>	<u>967,676</u>

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

### 16 Provision for liabilities and charges

	<b>Deferred taxation £</b>
Balance at 12 March 2016	8,473
Profit and loss account	(312)
Balance at 11 March 2017	<u>8,161</u>

Deferred taxation provided in the financial statements is as follows:

	<b>2017 £</b>	<b>Fully provided 2016 £</b>
Accelerated capital allowances	<u>8,161</u>	<u>8,473</u>

### 17 Retirement benefit schemes

	<b>2017 £</b>	<b>2016 £</b>
<b>Defined contributions</b>		
Contributions payable by the company for the period	<u>64,184</u>	<u>77,634</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

# **WALTER BLACK FOODS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017**

<b>18 Share Capital</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Authorised</b>		
15,000 Ordinary shares of £1 each	15,000	15,000
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
15,000 Ordinary shares of £1 each	15,000	15,000
	<hr/>	<hr/>

## **19 Financial commitments**

At 11 March 2017 the company had annual commitments under non-cancellable operating leases as follows:

	<b>2017 £</b>	<b>2016 £</b>
<b>Land and buildings</b>		
Expiring within one year	24,000	24,000
Expiring between two and five years	96,000	96,000
Expiring after five years	22,000	46,000
	<hr/>	<hr/>
	142,000	166,000
	<hr/>	<hr/>
<b>Plant &amp; machinery</b>		
Expiring within one year	56,569	78,092
Expiring between two and five years	0	56,569
	<hr/>	<hr/>
	56,569	134,661
	<hr/>	<hr/>

## WALTER BLACK FOODS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 11 MARCH 2017

#### 20 Related party transactions

Other debtors includes £600,094 (2016 - £600,094) in respect of Walter Black (Manufacturing) Ltd and £8,950 (2016 - Nil) in respect of Walter Black (Properties) Ltd.

The company paid £100,000 (2016 - £100,000) to Walter Black (Properties) Limited in respect of rent.

#### 21 Control

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

#### 22 Cash generated from operations

	2017 £	2016 £
(Loss) / profit for the year after tax	(16,338)	163,012
<b>Adjustments for:</b>		
Taxation charged	13,491	55,229
Finance costs	130	63
Investment income	(984)	(1,054)
Loss on disposal of tangible assets	1,279	704
Depreciation of tangible and intangible assets	183,005	129,960
<b>Movements in working capital:</b>		
(Increase) / decrease in stocks	(142,696)	183,220
Decrease / (increase) in debtors	15,639	(102,175)
Increase / (decrease) in creditors within one year	271,397	(42,711)
<b>Cash generated from operations</b>	<b>324,923</b>	<b>386,248</b>