

AMENDED

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
FOR
CAKE DECOR LTD**

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CAKE DECOR LTD

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FOR THE YEAR ENDED 31 MARCH 2017**

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CAKE DECOR LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017

DIRECTORS: W Donnelly
A Downs
D Harvey

SECRETARY: A Downs

REGISTERED OFFICE: 2 Little Drum Road
Orchardton Woods
Cumbernauld
Glasgow
G68 9LH

REGISTERED NUMBER: SC298811 (Scotland)

AUDITORS: McDaid & Partners
Chartered Accountants
Statutory Auditors
Stanley House
69/71 Hamilton Road
Motherwell
Lanarkshire
ML1 3DG

CAKE DECOR LTD

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2017

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture of cake decorations.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report.

W Donnelly
A Downs
D Harvey

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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;

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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, McDaid & Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



A Downs - Secretary

29 November 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CAKE DECOR LTD

We have audited the financial statements of Cake Decor Ltd for the year ended 31 March 2017 on pages five to twelve. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note twelve to the financial statements.

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 Report of the Directors 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 31 March 2017 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.

Other Matters

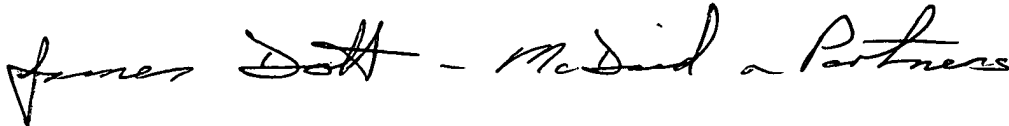
In our opinion, based on the work undertaken in the course of our audit, the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Report of the Directors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CAKE DECOR LTD**

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

 - McDaid & Partners

James Dott (Senior Statutory Auditor)
for and on behalf of McDaid & Partners
Chartered Accountants
Statutory Auditors
Stanley House
69/71 Hamilton Road
Motherwell
Lanarkshire
ML1 3DG

Date: 29 November 2017

CAKE DECOR LTD

INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	31.3.17 £	31.3.16 £
TURNOVER		10,305,515	9,434,349
Cost of sales		6,545,932	6,028,674
GROSS PROFIT		3,759,583	3,405,675
Administrative expenses		2,761,195	2,545,367
		998,388	860,308
Other operating income		32,000	35,100
OPERATING PROFIT		1,030,388	895,408
Interest receivable and similar income		162	119
		1,030,550	895,527
Interest payable and similar expenses		67,168	82,890
PROFIT BEFORE TAXATION		963,382	812,637
Tax on profit	4	137,250	168,093
PROFIT FOR THE FINANCIAL YEAR		826,132	644,544

The notes form part of these financial statements

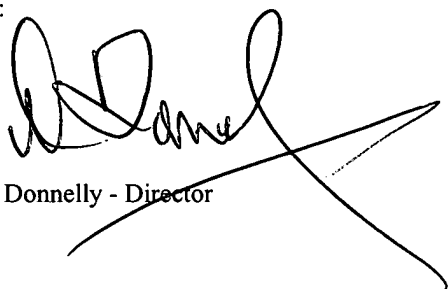
CAKE DECOR LTD (REGISTERED NUMBER: SC298811)

**BALANCE SHEET
31 MARCH 2017**

	Notes	31.3.17 £	£	31.3.16 £	£
FIXED ASSETS					
Tangible assets	5		1,662,152		1,647,896
CURRENT ASSETS					
Stocks		803,171		784,356	
Debtors	6	1,767,306		1,608,316	
Cash at bank and in hand		639,740		806,914	
		<u>3,210,217</u>		<u>3,199,586</u>	
CREDITORS					
Amounts falling due within one year	7	<u>1,818,768</u>		<u>2,231,963</u>	
NET CURRENT ASSETS			<u>1,391,449</u>		<u>967,623</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,053,601		2,615,519
CREDITORS					
Amounts falling due after more than one year	8		(450,262)		(580,900)
PROVISIONS FOR LIABILITIES			<u>(149,226)</u>		<u>(142,152)</u>
NET ASSETS			<u><u>2,454,113</u></u>		<u><u>1,892,467</u></u>
CAPITAL AND RESERVES					
Called up share capital			30,010		30,010
Retained earnings			<u>2,424,103</u>		<u>1,862,457</u>
SHAREHOLDERS' FUNDS			<u><u>2,454,113</u></u>		<u><u>1,892,467</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 29 November 2017 and were signed on its behalf by:



W Donnelly - Director

The notes form part of these financial statements

CAKE DECOR LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2015	30,010	1,444,506	1,474,516
Changes in equity			
Dividends	-	(226,593)	(226,593)
Total comprehensive income	-	644,544	644,544
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2016	30,010	1,862,457	1,892,467
	<hr/>	<hr/>	<hr/>
Changes in equity			
Dividends	-	(264,486)	(264,486)
Total comprehensive income	-	826,132	826,132
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2017	<u>30,010</u>	<u>2,424,103</u>	<u>2,454,113</u>

The notes form part of these financial statements

CAKE DECOR LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. STATUTORY INFORMATION

Cake Decor Ltd is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are delivered to the customer. Turnover from the supply of goods represents the value of goods provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where the contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Property improvements	- 10% on cost
Plant & machinery	- 10% on cost
Fixtures & fittings	- 15% on cost
Office equipment	- 35% on cost
Motor vehicles	- 25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

CAKE DECOR LTD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2017

2. ACCOUNTING POLICIES - continued

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Government grants

Government grants are released to the profit and loss account at the same rate plant & machinery is depreciated.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 81 (2016 - 62).

4. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.3.17 £	31.3.16 £
Current tax:		
UK corporation tax	191,271	144,503
Prior year tax	(61,095)	1,013
Total current tax	130,176	145,516
Deferred tax	7,074	22,577
Tax on profit	<u>137,250</u>	<u>168,093</u>

CAKE DECOR LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

5. TANGIBLE FIXED ASSETS

	Freehold property £	Property improvements £	Plant & machinery £
COST			
At 1 April 2016	824,590	166,756	1,283,031
Additions	-	8,631	129,665
	<hr/>	<hr/>	<hr/>
At 31 March 2017	824,590	175,387	1,412,696
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2016	72,839	56,204	527,415
Charge for year	16,492	17,395	125,387
Eliminated on disposal	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2017	89,331	73,599	652,802
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2017	735,259	101,788	759,894
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2016	751,751	110,552	755,616
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	Fixtures & fittings £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 April 2016	32,767	30,990	63,599	2,401,733
Additions	6,344	56,127	-	200,767
Disposals	-	(30,990)	-	(30,990)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2017	39,111	56,127	63,599	2,571,510
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 April 2016	20,623	18,517	58,239	753,837
Charge for year	4,071	8,030	3,183	174,558
Eliminated on disposal	-	(19,037)	-	(19,037)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2017	24,694	7,510	61,422	909,358
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 March 2017	14,417	48,617	2,177	1,662,152
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2016	12,144	12,473	5,360	1,647,896
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CAKE DECOR LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

5. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant & machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2016	278,397	30,990	309,387
Additions	-	56,127	56,127
Disposals	-	(30,990)	(30,990)
Transfer to ownership	(32,767)	-	(32,767)
	<u>245,630</u>	<u>56,127</u>	<u>301,757</u>
At 31 March 2017	245,630	56,127	301,757
DEPRECIATION			
At 1 April 2016	32,535	18,517	51,052
Charge for year	24,563	8,030	32,593
Eliminated on disposal	-	(19,037)	(19,037)
Transfer to ownership	(11,606)	-	(11,606)
	<u>45,492</u>	<u>7,510</u>	<u>53,002</u>
At 31 March 2017	45,492	7,510	53,002
NET BOOK VALUE			
At 31 March 2017	<u>200,138</u>	<u>48,617</u>	<u>248,755</u>
At 31 March 2016	<u>245,862</u>	<u>12,473</u>	<u>258,335</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17 £	31.3.16 £
Trade debtors	1,606,684	1,470,209
Other debtors	160,622	138,107
	<u>1,767,306</u>	<u>1,608,316</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17 £	31.3.16 £
Bank loans and overdrafts	58,033	69,124
Hire purchase contracts	71,718	64,303
Trade creditors	521,997	896,956
Taxation and social security	264,191	206,587
Other creditors	902,829	994,993
	<u>1,818,768</u>	<u>2,231,963</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.17 £	31.3.16 £
Bank loans	252,841	314,979
Hire purchase contracts	104,921	142,921
Other creditors	92,500	123,000
	<u>450,262</u>	<u>580,900</u>

CAKE DECOR LTD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2017

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

	31.3.17	31.3.16
	£	£
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	-	105,451
	<u> </u>	<u> </u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.17	31.3.16
	£	£
Bank loans	310,874	384,103
	<u> </u>	<u> </u>

The bank hold a bond and floating charge over the assets of the company and have a standard security over the premises at 2 Little Drum Road, Cumbernauld.

10. OTHER FINANCIAL COMMITMENTS

The company has future operating lease commitments of £28,493 (2016 £41,933).

11. RELATED PARTY DISCLOSURES

Dividends paid to director Mr W Donnelly during the year amounted to £264,486 (2016 £226,593).

Included within trade debtors is £19,971 (2016 £8,708) due from For All Baking Ltd a related company by virtue of director Mr W Donnelly also being a director and shareholder of that company. Also included within the profit & loss account is income received from For All Baking Ltd of £97,542 (2016 £64,114).

12. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

CAKE DECOR LTD

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

	31.3.17		31.3.16	
	£	£	£	£
Sales		10,305,515		9,434,349
Cost of sales				
Opening stock	784,356		838,310	
Purchases	5,725,981		5,152,871	
Wages	799,377		796,367	
Social security	39,389		25,482	
	<hr/>		<hr/>	
	7,349,103		6,813,030	
Closing stock	(803,171)		(784,356)	
	<hr/>	6,545,932	<hr/>	6,028,674
GROSS PROFIT		3,759,583		3,405,675
Other income				
Government grants release	32,000		35,100	
Bank interest received	162		119	
	<hr/>	32,162	<hr/>	35,219
		3,791,745		3,440,894
Expenditure				
Rates & insurance	172,922		133,333	
External storage costs	42,266		3,293	
Heat & light	56,318		52,097	
Waste disposal	32,469		27,781	
Laundry	7,587		7,390	
Pest control	4,333		3,629	
Directors' salaries	175,835		228,083	
Directors' social security	21,564		28,768	
Directors' pension contributions	53,167		93,479	
Wages	928,836		788,991	
Social security	82,482		69,146	
Pensions	28,561		14,996	
Hire of plant & machinery	33,471		26,507	
Telephone	7,275		7,468	
Postage & stationery	10,690		9,238	
Advertising	83,498		54,477	
Travelling	66,804		63,861	
New product development	1,635		2,465	
Subscriptions	15,104		13,689	
Repairs & renewals	161,302		229,387	
Freight & pallets	217,787		187,586	
Factory consumables	32,603		32,053	
Origination costs	142,139		85,547	
Sundry expenses	3,560		3,149	
Training	10,817		7,413	
General site expenses	44,172		42,298	
Recruitment costs	42,725		32,463	
Lab analysis costs	20,241		22,546	
Legal & professional fees	54,436		32,604	
Product withdrawal	2,700		25,800	
	<hr/>	<hr/>	<hr/>	<hr/>
Carried forward	2,557,299	3,791,745	2,329,537	3,440,894

This page does not form part of the statutory financial statements

CAKE DECOR LTD

TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

	31.3.17		31.3.16	
	£	£	£	£
Brought forward	2,557,299	3,791,745	2,329,537	3,440,894
Health & safety costs	-		25,000	
Auditors' remuneration	6,000		3,500	
Auditors' remuneration for non audit work	12,735		16,597	
		2,576,034		2,374,634
		1,215,711		1,066,260
Finance costs				
Bank charges	8,810		7,852	
Bank interest	435		356	
Bank loan interest	22,359		30,539	
Other loan interest	233		1,667	
HMRC interest	1,846		-	
Factor charges	32,228		40,764	
Hire purchase interest	10,067		9,564	
		75,978		90,742
		1,139,733		975,518
Depreciation				
Freehold property	16,492		16,492	
Property improvements	17,395		16,676	
Plant & machinery	125,387		112,782	
Fixtures & fittings	4,071		3,583	
Motor vehicles	8,030		4,158	
Office equipment	3,183		9,190	
		174,558		162,881
		965,175		812,637
Loss on disposal of fixed assets				
Motor vehicles		1,793		-
NET PROFIT		963,382		812,637