REGISTERED NUMBER: 1238149 (England and Wales)

W C Rowe (Falmouth) Limited

Strategic Report, Report of the Directors and

Financial Statements for the Period 4 January 2015 to 2 January 2016

Haines Watts Exeter LLP, Statutory Auditors
3 Southernhay West
Exeter
Devon
EX1 1JG

Contents of the Financial Statements
for the Period 4 January 2015 to 2 January 2016

W C Rowe (Falmouth) Limited

Company Information
for the Period 4 January 2015 to 2 January 2016

DIRECTORS:	R J Blackburn K J Devoy K Lynch M Matthews P W C Pearce M Pearce A H Pearce
SECRETARY:	M Pearce
REGISTERED OFFICE:	Unit 1 Bickland Industrial Park Falmouth Cornwall TR11 4TA
REGISTERED NUMBER:	1238149 (England and Wales)
AUDITORS:	Haines Watts Exeter LLP, Statutory Auditors 3 Southernhay West Exeter Devon EX1 1JG

Strategic Report
for the Period 4 January 2015 to 2 January 2016

The directors present their strategic report for the period 4 January 2015 to 2 January 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW
The principal activity of the company during the period was the production and wholesale and retail distribution of pasties, confectionery and related products.

Turnover increased by 9% in 2015, despite the fact that production continued to be affected by a fire at one of the company's factory sites in July 2014. Full production capabilities were finally restored in April 2015.

The company generated a trading loss of £207,566 (2015 Profit £59,237) during the period to 2 January 2016. It should be noted that the profit and loss account includes exceptional income arising from an insurance claim in relation to the fire and allocated by the directors to this period, of £1,214,221 (2015 £1,058,000).

This was received for business interruption insurance following the July 2014 fire. No further insurance sums have been received.

The key financial highlights are as follows;

	02.01.2016	03.01.2015	28.12.2014	29.12.2013
	£	£	£	£
Turnover	17,377,066	15,925,827	20,386,805	25,093,883
Turnover growth	9.0%	(14.5%)	(18.8%)	(12.6%)
Gross profit margin	35.7%	38.02%	34.5%	32.4%
Profit / (Loss) before tax	(207,566)	59,237	(608,040)	(938,048)

PRINCIPAL RISKS AND UNCERTAINTIES
The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, loans to the company and hire purchase agreements. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The company makes use of money market facilities where available.

In respect of loans, these comprise intermittent loans from the directors and loans from financial institutions. The interest rate on the loans from financial institutions are both fixed and variable.
Where the interest rate is variable, the monthly repayments are fixed. The company manages the liquidity risk by ensuring that there are sufficient funds to meet the payments. The loans from directors are interest free and repayable on demand. The directors are aware of the company's required finance and have determined that any such loans will only be repaid, in whole or in part, when finance is available.

The company is a lessee in respect of hire purchase assets. The liquidity risk of these is managed in the same way as that of the loans explained above.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning both the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet the amounts due.

Strategic Report
for the Period 4 January 2015 to 2 January 2016

RESULTS AND DIVIDENDS
The directors have not recommended a dividend for the year.

DISABLED EMPLOYEES
The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

EMPLOYEE INVOLVEMENT
During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow free flow of information and ideas. Employees participate directly in the success of the business through the company's bonus schemes.

The company is also fully committed to a policy of equal opportunities for all disabled employees, and operates a policy of zero tolerance of discrimination in the work place.

KEY PERFORMANCE INDICATORS
The company focuses on margin as the prime performance indicator, primarily because the volatility of ingredient costs carries high sensitivity in our business. Therefore our sales team are incentivised for own brand and core product sales. The Board also always focus on :-

labour efficiency ratio in all production sites

daily wastage and stock (raw and finished) reconciliations

daily recording and analysis of all complaints

staff development

ON BEHALF OF THE BOARD:

....
K Lynch - Director

Date: 12.12.16

Report of the Directors
for the Period 4 January 2015 to 2 January 2016

The directors present their report with the financial statements of the company for the period 4 January 2015 to 2 January 2016.

DIVIDENDS
No dividends will be distributed for the period ended 2 January 2016.

FUTURE DEVELOPMENTS
We anticipate a year of reducing costs which includes a rationalisation of the number of product lines we have previously sold. We have an established local brand synonymous with quality and consistency. We therefore look to focus on our best known products and thereby improve brand reach while maximising production efficiency.

DIRECTORS
The directors shown below have held office during the whole of the period from 4 January 2015 to the date of this report.

K J Devoy
K Lynch
M Matthews
P W C Pearce
M Pearce
A H Pearce

Other changes in directors holding office are as follows:

D N Bartlett - appointed 1 October 2015 - resigned 30 November 2015
R J Blackbum - appointed 1 October 2015
M Rowe - resigned 11 September 2015
M B Parsons - resigned 31 May 2015

FINANCIAL INSTRUMENTS
Price risk, credit risk, and cash flow risk
The company's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the company's operations and to finance these operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. Trade debtors are managed in respect of credit and cash flow risk through policies regarding the credit offered to customers and the regular monitoring of amounts outstanding. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

EVENTS SINCE THE YEAR END
No events have occurred after the year end that require reporting or disclosing in the financial statements.

Report of the Directors
for the Period 4 January 2015 to 2 January 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, 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;
- 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 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, Haines Watts Exeter LLP, Statutory Auditors, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

....
K Lynch - Director

Date: 12.12.16

Report of the Independent Auditors to the Members of W C Rowe (Falmouth) Limited

We have audited the financial statements of W C Rowe (Falmouth) Limited for the period ended 2 January 2016 on pages eight to thirty one. 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 five, 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 Strategic Report and 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 2 January 2016 and of its loss for the period 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 the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
W C Rowe (Falmouth) Limited

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.

Benjamin de Cruz (Senior Statutory Auditor)
for and on behalf of Haines Watts Exeter LLP, Statutory Auditors
3 Southernhay West
Exeter
Devon
EX1 1JG

Date: 13/12/16

Statement of Comprehensive Income
for the Period 4 January 2015 to 2 January 2016

	Notes	Period 4.1.15 to 2.1.16 £	Period 29.12.13 to 3.1.15 as restated £
TURNOVER	3	17,377,066	15,925,827
Cost of sales		(11,291,925)	(10,232,464)
GROSS PROFIT		6,085,141	5,693,363
Distribution costs		(759,390)	(688,805)
Administrative expenses		(6,727,066)	(5,969,777)
		(1,401,315)	(965,219)
Other operating income		40,401	40,001
OPERATING LOSS	6	(1,360,914)	(925,218)
Exceptional other operating income	8	1,214,221	1,058,000
		(146,693)	132,782
Interest receivable and similar income		1,125	35
		(145,568)	132,817
Interest payable and similar charges	9	(61,999)	(73,580)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(207,567)	59,237
Tax on (loss)/profit on ordinary activities	10	-	195,237
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		(207,567)	254,474
OTHER COMPREHENSIVE INCOME		-	97,563
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX		-	97,563
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(207,567)	352,037

The notes form part of these financial statements

W C Rowe (Falmouth) Limited (Registered number: 1238149)

Balance Sheet
2 January 2016

	Notes	2016 £	2015 as restated £
FIXED ASSETS			
Intangible assets	12	1,480	-
Tangible assets	13	5,565,579	5,789,166
Investments	14	50	50
		5,567,109	5,789,216
CURRENT ASSETS			
Stocks	15	825,912	977,052
Debtors	16	2,013,090	3,126,982
Cash at bank and in hand		71,478	88,685
		2,910,480	4,192,719
CREDITORS			
Amounts falling due within one year	17	(3,085,448)	(4,257,750)
NET CURRENT LIABILITIES		(174,968)	(65,031)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,392,141	5,724,185
CREDITORS			
Amounts falling due after more than one year	18	(628,571)	(753,048)
PROVISIONS FOR LIABILITIES	22	(55,123)	(55,123)
NET ASSETS		4,708,447	4,916,014
CAPITAL AND RESERVES			
Called up share capital	23	40,000	40,000
Revaluation reserve	24	387,622	387,622
Retained earnings	24	4,280,825	4,488,392
SHAREHOLDERS' FUNDS		4,708,447	4,916,014

The financial statements were approved by the Board of Directors on 12. 12. 16 and were signed on its behalf by:

K Lynch - Director

The notes form part of these financial statements

W C Rowe (Falmouth) Limited (Registered number: 1238149)

Statement of Changes in Equity
for the Period 4 January 2015 to 2 January 2016

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 29 December 2013	40,000	3,898,253	290,059	4,228,312
Changes in equity				
Total comprehensive income	-	590,139	97,563	687,702
Balance at 3 January 2015	40,000	4,488,392	387,622	4,916,014
Changes in equity				
Total comprehensive income	-	(207,567)	-	(207,567)
Balance at 2 January 2016	40,000	4,280,825	387,622	4,708,447

The notes form part of these financial statements

Cash Flow Statement
for the Period 4 January 2015 to 2 January 2016

	Notes	Period 4.1.15 to 2.1.16 £	Period 29.12.13 to 3.1.15 as restated £
Cash flows from operating activities			
Cash generated from operations	1	583,769	479,226
Interest paid		(56,589)	(62,160)
Interest element of hire purchase payments paid		(5,410)	(11,420)
Net cash from operating activities		521,770	405,646
Cash flows from investing activities			
Purchase of tangible fixed assets		(510,054)	(110,439)
Sale of tangible fixed assets		31,848	608,514
Interest received		1,125	35
Net cash from investing activities		(477,081)	498,110
Cash flows from financing activities			
Movement in loans in year		(28,843)	(645,596)
New HP in the year		27,850	-
Capital repayments in year		(105,603)	(128,965)
Amount withdrawn by directors		44,700	-
Other short term creditors		-	(156,301)
Other long term creditors		-	(45,199)
Repayment of grants		-	(48,759)
Net cash from financing activities		(61,896)	(1,024,820)
Decrease in cash and cash equivalents		(17,207)	(121,064)
Cash and cash equivalents at beginning of period	2	88,685	209,749
Cash and cash equivalents at end of period	2	71,478	88,685

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Period 4 January 2015 to 2 January 2016

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 4.1.15 to 2.1.16	Period 29.12.13 to 3.1.15 as restated
	£	£
(Loss)/profit before taxation	(207,567)	59,237
Depreciation charges	704,029	824,394
(Profit)/loss on disposal of fixed assets	(2,214)	27,619
Government grants	(12,149)	(361,146)
Finance costs	61,999	73,580
Finance income	(1,125)	(35)
	542,973	623,649
Decrease in stocks	151,140	92,797
Decrease/(increase) in trade and other debtors	1,069,216	(1,041,196)
(Decrease)/increase in trade and other creditors	(1,179,560)	803,976
Cash generated from operations	583,769	479,226

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 2 January 2016

	2.1.16	4.1.15
	£	£
Cash and cash equivalents	71,478	88,685

Period ended 3 January 2015

	3.1.15 as restated	29.12.13
	£	£
Cash and cash equivalents	88,685	209,749

1. COMPANY INFORMATION

The company is a limited company incorporated in England and Wales.

The company's registered office is:
Unit 1
Bickland Industrial Park
Falmouth
Cornwall
TR11 4TA

The company's principal activity is that of the production, wholesale and retail distribution of bread, confectionery and related products.

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2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 28 for an explanation of the transition.

The financial statements are presented in Sterling (£).

There has been no change to accounting policies as a result of the transition to FRS 102.

A reconciliation of equity, balance sheet and profit and loss figures for the year end 3 January 2015 prepared under UK GAAP and FRS 102 can be seen in the notes to the accounts.

Going concern
The company has arranged with the bank to operate an overdraft to support working capital in the short-term. Cash flow forecasts are updated daily and there is a detailed review of the cash position with the bank on a weekly basis.

Medium term forecasts indicate that the company will return to a cash surplus early in 2017.

A structured cost reduction programme has been launched over the last few months, focusing on maximising direct labour efficiencies, reducing input costs and losing non-value added activities. This has had an immediate favourable impact on the bottom line, with the company reporting a positive EBITDA over the last 4 months.

Further cost reduction initiatives are planned for 2017, aimed at procurement, front and back of shop processes and the fixed cost base. These will deliver significant cost savings and will ensure the Company reports consistent monthly profitability.

The consequential cash generation will eliminate the need to operate within a bank facility.

The directors have a reasonable expectation that the company has adequate resources to operate for the foreseeable future. Accordingly the financial statements continue to be prepared under the "going concern" basis.

The financial statements do not include any adjustments that would result if the company was not a going concern. Such reductions would need to reduce the value of the assets to their realisable amounts and provide for liabilities included in the financial statements.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

continued...

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	Straight line over 100 years
Short leasehold	-	Straight line over the life of the lease
Plant and machinery	-	Straight line over 10 years
Fixtures and fittings	-	Straight line over 5-15 years
Motor vehicles	-	Straight line over 4 years

Fixed assets are initially recorded at costs, with the exemption of freehold buildings which are subsequently held at a revalued amount.

Impairment of assets
At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Investments
Investments comprise investments in unquoted equity instruments which are measured at fair value. Changes in fair value are recognised in profit or loss. Fair value is estimated by using a valuation technique.

Deferred government grants
Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

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

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2. **ACCOUNTING POLICIES - continued**

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all material timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Provisions for liabilities

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The company recognised a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. an equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Invoice discounting

Trade debtors are subject to invoice discounting arrangements and are disclosed within the accounts at the gross value as an asset, and a corresponding liability in respect of the proceeds received from the discounting house is included as a liability within bank loans and overdrafts.

Finance charges relating to the invoice discounting arrangements are recognised as they arise and are included within the profit and loss account with other finance charges.

continued...

2. ACCOUNTING POLICIES - continued

Business interruption insurance proceeds
Insurance proceeds received under a business interruption policy during the period as a result of a fire at one of the company's factory sites have been treated as exceptional income. The amount allocated to the period ended 3 January 2016 and 2 January 2015, has been determined on a fair basis by the directors following professional advice.

Significant judgements and estimates
The accounts contain significant judgements and estimates as follows:
- Accruals, prepayments and deferred income all of which are based on information available at the time of the audit.

- Depreciation which is based on the directors best estimate of the life of each asset class.

- Stock pricing uses an average rate for labour and ingredients. This is based on payroll data and ingredient cost and usage estimates.

Debtors
Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors
Short term trade creditors are measured at the transaction price.

3. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.
An analysis of turnover is given below:

	Period from 4 Jan 15 to 2 Jan 16 £	Period from 29 Dec 13 to 3 Jan 15 £
United Kingdom	17,377,066	15,925,827

4. STAFF COSTS

	Period from4 Jan 15 to 2 Jan 16 £	Period from29 Dec 13 to 3 Jan 15 £
Wages and salaries	6,305,790	5,924,518
Social security costs	445,773	418,649
Other pension costs	85,218	87,839
	6,836,781	6,431,006

continued...

5. DIRECTORS' EMOLUMENTS

The directors' aggregate remuneration in respect of qualifying services were:

	Period from 4 Jan 15 to 2 Jan 16	Period from 29 Dec 13 to 3 Jan 15
	£	£
Remuneration receivable	769,516	398,629
Other remuneration receivable	10,646	-
Value of company pension contributions to money purchase schemes	20,230	24,513
	800,392	423,142

Remuneration of highest paid director:

	Period from 4 Jan 15 to 2 Jan 16	Period from 29 Dec 13 to 3 Jan 15
	£	£
Total remuneration (excluding pension contributions)	150,713	83,174
Value of company pension contributions to money purchase schemes	3,050	16,522
	153,763	99,696

6. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	Period 4.1.15 to 2.1.16	Period 29.12.13 to 3.1.15 as restated
	£	£
Depreciation - owned assets	704,007	775,634
(Profit)/loss on disposal of fixed assets	(2,214)	27,619
Design and marketing amortisation	21	-
Exceptional other operating income	1,214,221	1,058,000
Amortisation of government grants on fixed assets	(34,605)	(48,759)

7. AUDITORS' REMUNERATION

During the year auditors fees were £8,000 for audit services, £2,000 for accounts and taxation services and £13,386 for other advice.

The previous auditor charged £8,450 for audit services in 2015.

continued...

8. EXCEPTIONAL ITEMS

The exceptional item consists of business interruption insurance received following a fire in one of the company's factories in July 2014, which was settled in May 2015.The profit and loss account includes £1,214,221 which is income allocated to this period.

9. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 4.1.15 to 2.1.16	Period 29.12.13 to 3.1.15 as restated
	£	£
Bank interest	29,775	28,376
Bank loan interest	26,814	33,784
HP and finance lease interest	5,410	11,420
	61,999	73,580

10. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the period was as follows:

	Period 4.1.15 to 2.1.16	Period 29.12.13 to 3.1.15 as restated
	£	£
Current tax:		
UK corporation tax	-	21,205
Deferred tax	-	(216,442)
Tax on (loss)/profit on ordinary activities	-	(195,237)

 continued...

10. **TAXATION - continued**

Reconciliation of total tax credit included in profit and loss
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 4.1.15 to 2.1.16	Period 29.12.13 to 3.1.15 as restated
	£	£
(Loss)/profit on ordinary activities before tax	(207,567)	59,237
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.050%)	(41,513)	11,877
Effects of:		
Expenses not deductible for tax purposes	(63,236)	542
Depreciation in excess of capital allowances	9,703	82,139
Utilisation of tax losses	95,046	-
Adjustments to tax charge in respect of previous periods	-	(87,956)
Tax on chargeable gains	-	14,603
Deferred tax	-	(216,442)
Total tax credit	-	(195,237)

Tax effects relating to effects of other comprehensive income

	29.12.13 to 3.1.15		
	Gross	Tax	Net
	£	£	£
Revaluation reserve	97,563	-	97,563
Profit and loss account	335,665	-	335,665
	433,228	-	433,228

At the balance sheet date the company has unused tax losses. A deferred tax asset has not been included in the accounts as it is uncertain that they will be recovered against future taxable profits.

continued...

11. PRIOR YEAR ADJUSTMENT

The prior year figures have been restated as detailed below:

Restated figures

	At 3.1.15 as restated £	At 3.1.15 £
Assets		
Freehold property cost	3,334,969	3,540,036
Freehold property depreciation	19,532	404,984

This adjustment arose as the freehold property revaluation included in the 2015 accounts had been included in the accounts incorrectly. As a result freehold property was understated by £180,385 and revaluation reserve was understated by £180,385.

	At 3.1.15 as restated £	At 3.1.15 £
Assets		
Deferred income	3,772	364,919

This adjustment removes the grant income received in relation to the Bickland site. The accounting entries in 2014 relating to Bickland being destroyed by fire omitted to remove the associated deferred income. As a result deferred income was overstated by £361,147 and the profit and loss reserve was understated by £361,147.

Effect on equity
The net effect on equity is as follows:

Original balance at 3 January 2015	4,427,760
Prior year adjustments	541,532
Restated balance at 3 January 2015	4,969,292
FRS 102 transition adjustment (note 29)	(53,278)
Restated balance at 3 January 2015	4,916,014

continued...

12. INTANGIBLE FIXED ASSETS

	Branding £
COST	
At 4 January 2015	10,290
Additions	1,501
At 2 January 2016	11,791
AMORTISATION	
At 4 January 2015	10,290
Amortisation for period	21
At 2 January 2016	10,311
NET BOOK VALUE	
At 2 January 2016	1,480
At 3 January 2015	-

The amounts capitalised in respect of the intangibles fixed asset represent the set-up costs of establishing a potentially stand alone shop brand within the current product portfolio.

13. TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Plant and machinery £
COST OR VALUATION			
At 4 January 2015	3,418,951	540,036	9,551,783
Additions	124,562	-	214,931
Disposals	-	-	(39,410)
At 2 January 2016	3,543,513	540,036	9,727,304
DEPRECIATION			
At 4 January 2015	67,047	321,670	7,814,152
Charge for period	35,572	42,035	537,711
Eliminated on disposal	-	-	(35,971)
At 2 January 2016	102,619	363,705	8,315,892
NET BOOK VALUE			
At 2 January 2016	3,440,894	176,331	1,411,412
At 3 January 2015	3,351,904	218,366	1,737,631

continued...

13. **TANGIBLE FIXED ASSETS - continued**

	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 4 January 2015	1,101,180	83,059	14,695,009
Additions	119,244	51,317	510,054
Disposals	(42,538)	(31,233)	(113,181)
At 2 January 2016	1,177,886	103,143	15,091,882
DEPRECIATION			
At 4 January 2015	626,316	76,658	8,905,843
Charge for period	77,860	10,829	704,007
Eliminated on disposal	(28,354)	(19,222)	(83,547)
At 2 January 2016	675,822	68,265	9,526,303
NET BOOK VALUE			
At 2 January 2016	502,064	34,878	5,565,579
At 3 January 2015	474,864	6,401	5,789,166

The historic cost of revalued assets is £3,105,235.

The main bakery production land and buildings, bakehouse premises and shops were revalued in the financial statements for the year end 3 January 2015. The valuation was undertake during May 2015 by Stratton Creber Commercial, Charter Surveyors, on an open market value basis. The valuations were made in accordance with the R.I.C.S recommended procedures. Stratton Creber Commercial are not connected to the company.

These assets have not been revalued in the financial statements for the year end 2 January 2016.

Included within the net book value of tangible fixed assets is £30,716 (2015 - £283,277) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £7,156 (2015 - £47,249).

14. **FIXED ASSET INVESTMENTS**

	Unlisted investments £
COST	
At 4 January 2015 and 2 January 2016	50
NET BOOK VALUE	
At 2 January 2016	50
At 3 January 2015	50

continued...

15. STOCKS

	2016	2015 as restated
	£	£
Stocks	825,912	977,052

Stock recognised in cost of sales during the year as an expenses is £977,052 (2015 £1,069,849).

There is no impairment of stock in the year.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015 as restated
	£	£
Trade debtors	1,590,730	1,472,819
Other debtors	45,735	1,030,164
Directors' current accounts	38,905	188
VAT	95,854	335,067
Prepayments and accrued income	241,866	288,744
	2,013,090	3,126,982

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015 as restated
	£	£
Bank loans and overdrafts (see note 19)	1,196,295	1,110,637
Hire purchase contracts (see note 20)	26,895	87,625
Trade creditors	1,493,488	2,510,964
Tax	21,075	21,205
Social security and other taxes	130,396	140,427
Other creditors	95,111	89,396
Directors' current accounts	26	141,770
Accruals and deferred income	104,237	106,967
Deferred government grants	17,925	48,759
	3,085,448	4,257,750

Included within bank loans and overdrafts is an invoice discounting facility of £1,081,788 (2014 £875,212).

continued...

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

	2016	2015 as restated
	£	£
Bank loans (see note 19)	617,095	731,596
Hire purchase contracts (see note 20)	11,476	17,679
Accruals and deferred income	-	3,773
	628,571	753,048

19. LOANS

An analysis of the maturity of loans is given below:

	2016	2015 as restated
	£	£
Amounts falling due within one year or on demand:		
Bank loans	114,507	235,425
Invoice discounting	1,081,788	875,212
	1,196,295	1,110,637
Amounts falling due between one and two years:		
Bank loans- more than 1 year	617,095	731,596

There is a fixed and floating charge over property, assets, rights and revenues between the company and Barclays bank.

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2016	2015 as restated
	£	£
Net obligations repayable:		
Within one year	26,895	87,625
Between one and five years	11,476	17,679
	38,371	105,304

continued...

20. LEASING AGREEMENTS - continued

	Non-cancellable operating leases 2016	2015 as restated
	£	£
Within one year	522,770	574,000
Between one and five years	1,647,711	1,647,710
In more than five years	960,336	1,483,106
	3,130,817	3,704,816

21. SECURED DEBTS

The following secured debts are included within creditors:

	2016	2015 as restated
	£	£
Hire purchase contracts	38,371	105,304
Bank facilities	1,813,390	1,842,233
	1,851,761	1,947,537

22. PROVISIONS FOR LIABILITIES

	2016	2015 as restated
	£	£
Deferred tax	55,123	55,123

	Deferred tax
	£
Balance at 4 January 2015	55,123
Balance at 2 January 2016	55,123

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015 as restated
			£	£
40,000	Ordinary	£1	40,000	40,000

continued...

23. CALLED UP SHARE CAPITAL - continued

Particulars of shares are as follows:
- each ordinary share has full voting rights.
- each ordinary share has a right to a dividend.

24. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 4 January 2015	4,488,392	387,622	4,876,014
Deficit for the period	(207,567)		(207,567)
At 2 January 2016	4,280,825	387,622	4,668,447

REVALUATION RESERVE

	£
At 4 January 2015 (as restated)	387,622
Credit to revaluation reserve in the period	-
Transfer out of reserve in the period	-
At 2 January 2016	387,622

25. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the periods ended 2 January 2016 and 3 January 2015:

	2016 £	2015 as restated £
A H Pearce		
Balance outstanding at start of period	(127,114)	(48,498)
Amounts advanced	127,088	(78,616)
Amounts repaid	-	-
Balance outstanding at end of period	(26)	(127,114)
M Pearce		
Balance outstanding at start of period	43	43
Amounts repaid	-	-
Balance outstanding at end of period	43	43
M B Parsons		
Balance outstanding at start of period	(11,225)	-
Amounts advanced	11,225	(11,225)
Amounts repaid	-	-
Balance outstanding at end of period	-	(11,225)

continued...

25. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued

P W C Pearce		
Balance outstanding at start of period	144	34
Amounts advanced	77	110
Amounts repaid	-	-
Balance outstanding at end of period	221	144

K Lynch		
Balance outstanding at start of period	-	-
Amounts advanced	38,640	-
Amounts repaid	-	-
Balance outstanding at end of period	38,640	-

M Rowe		
Balance outstanding at start of period	(3,430)	(3,480)
Amounts advanced	3,430	50
Amounts repaid	-	-
Balance outstanding at end of period	-	(3,430)

No interest is charged on these balances.

26. RELATED PARTY DISCLOSURES

A H Pearce
Director and shareholder of the company

During the year the Director charged the company rent of £50,000. At the balance sheet date no balance was outstanding in relation to this transactions.

K Lynch
A director of the company

Included in the accounts are fees of £10,000 charged by the director. These fees were incurred before K Lynch was appointed as a director.

27. ULTIMATE CONTROLLING PARTY

The controlling party is A H Pearce.

28. FIRST YEAR ADOPTION

The company has adopted FRS 102 for the year end 2 January 2016 and has restated the comparative prior year amounts where necessary.

The adjustments that have been made are as follows:
Deferred tax has been calculated on the property that was revalued in the accounts in the comparative year. The effect of this is to increase provisions and reduce reserves in the comparative year.

Reconciliation of Equity
29 December 2013
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		6,657,269	-	6,657,269
Investments		50	-	50
		6,657,319	-	6,657,319
CURRENT ASSETS				
Stocks		1,069,849	-	1,069,849
Debtors		1,884,219	-	1,884,219
Prepayments and accrued income		201,565	-	201,565
Cash at bank and in hand		209,749	-	209,749
		3,365,382	-	3,365,382
CREDITORS				
Amounts falling due within one year		(3,943,637)	-	(3,943,637)
NET CURRENT LIABILITIES		(578,255)	-	(578,255)
TOTAL ASSETS LESS CURRENT LIABILITIES		6,079,064	-	6,079,064
CREDITORS				
Amounts falling due after more than one year		(1,579,187)	-	(1,579,187)
PROVISIONS FOR LIABILITIES		(271,565)	-	(271,565)
NET ASSETS		4,228,312	-	4,228,312
CAPITAL AND RESERVES				
Called up share capital		40,000	-	40,000
Revaluation reserve		290,059	-	290,059
Retained earnings		3,898,253	-	3,898,253
SHAREHOLDERS' FUNDS		4,228,312	-	4,228,312

The notes form part of these financial statements

continued...

Reconciliation of Equity - continued
3 January 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		5,789,166	-	5,789,166
Investments		50	-	50
		5,789,216	-	5,789,216
CURRENT ASSETS				
Stocks		977,052	-	977,052
Debtors		3,126,982	-	3,126,982
Cash at bank and in hand		88,685	-	88,685
		4,192,719	-	4,192,719
CREDITORS				
Amounts falling due within one year		(4,257,750)	-	(4,257,750)
NET CURRENT LIABILITIES		(65,031)	-	(65,031)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,724,185	-	5,724,185
CREDITORS				
Amounts falling due after more than one year		(753,048)	-	(753,048)
PROVISIONS FOR LIABILITIES		(1,845)	(53,278)	(55,123)
NET ASSETS		4,969,292	(53,278)	4,916,014
CAPITAL AND RESERVES				
Called up share capital		40,000	-	40,000
Revaluation reserve		387,622	-	387,622
Retained earnings		4,541,670	(53,278)	4,488,392
SHAREHOLDERS' FUNDS		4,969,292	(53,278)	4,916,014

Reconciliation of Profit
for the Period 29 December 2013 to 3 January 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	15,925,827	-	15,925,827
Cost of sales	(10,232,464)	-	(10,232,464)
GROSS PROFIT	5,693,363	-	5,693,363
Distribution costs	(688,805)	-	(688,805)
Administrative expenses	(5,969,777)	-	(5,969,777)
Other operating income	40,001	-	40,001
OPERATING LOSS	(925,218)	-	(925,218)
Exceptional other operating income	1,058,000	-	1,058,000
Interest receivable and similar income	35	-	35
Interest payable and similar charges	(73,580)	-	(73,580)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	59,237	-	59,237
Tax on profit on ordinary activities	248,515	(53,278)	195,237
PROFIT FOR THE FINANCIAL PERIOD	307,752	(53,278)	254,474

The notes form part of these financial statements