

**JEROBOAMS (HOLLAND PARK)
LIMITED (formerly MCEC LIMITED)**

ANNUAL REPORT

31 MARCH 2011

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JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

CONTENTS

	Page
Company information	1
Report of the directors	2-3
Independent auditor's report	4-5
Profit and loss account	6
Balance sheet	7
Accounting policies	8-9
Notes to the financial statements	10-14

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

COMPANY INFORMATION

Directors	Peter C Rich Stephen Gamble
Secretary	Caroline Hall
Registered office	43 Portland Road London W11 4LJ
Registered number	4612136
Registered auditor	Grant Thornton UK LLP Grant Thornton House Melton Street London NW1 2EP
Bankers	HSBC Bank plc 69 Pall Mall London SW1Y 5EY

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements for the year ended 31 March 2011

Business review and principal activities

The principal activities of the company in previous years was the retailing of cheese and fine foods but was dormant in the current year whilst the directors conducted an operational review. A decision to delay action regarding the company's overdraft until the review had been completed was agreed. Subsequent to the year end, a decision has been made to transfer a shop with a similar trading profile into the company from a fellow subsidiary. The company changed its name to Jeroboams (Holland Park) Limited on 25 July 2011 and became operational on 1 September 2011.

Result and dividends

The company made a profit after tax of £16,497 (2010: loss of £174,486). The directors do not recommend the payment of a dividend (2010: nil).

Directors

The directors of the company are listed on page 1.

Statement of directors' responsibilities for the Annual Report

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law regulations.

Company law in the United Kingdom 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 and loss of the company for that period. In preparing the financial statements, the directors are required to

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

REPORT OF THE DIRECTORS ... continued

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 which 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.

In so far as each of the directors is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Grant Thornton UK LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Companies Act 2006.

Approval

The report of the directors was approved by the Board on 19 September 2011 and signed on its behalf by


Caroline Hall
Secretary

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

We have audited the financial statements of Jeroboams (Holland Park) Limited (formerly MCEC Limited) for the year ended 31 March 2011 which comprise the profit and loss account, the balance sheet, the accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2 and 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 (APB'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.

Opinion of 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 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED) (Continued)

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 by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company's 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



Philip R Westerman
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
London
19 September 2011

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011

	NOTES	2011 £	2010 £
Turnover	1	-	651,740
Cost of sales		-	(349,520)
Gross profit		-	302,220
Other operating income/(expenses)	2	16,497	(477,162)
Operating profit/(loss)	3	16,497	(174,942)
Profit/(loss) on ordinary activities before taxation		16,497	(174,942)
Taxation credit	5	-	456
Retained profit/(loss) for the period	11	16,497	(174,486)

All turnover arises from discontinued operations

There were no recognised gains or losses other than those noted in the profit and loss account above

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

**BALANCE SHEET AS AT
31 MARCH 2011**

	NOTES	2011 £	2010 £
Fixed assets			
Tangible assets	6	<u>-</u>	<u>15,254</u>
		-	15,254
Current assets			
Stocks	7	-	18,668
Debtors	8	<u>-</u>	<u>37,529</u>
		-	56,197
Creditors' amounts falling due within one year	9	<u>(823,972)</u>	<u>(911,920)</u>
Net current liabilities		(823,972)	(855,723)
Total assets less current liabilities		<u>(823,972)</u>	<u>(840,469)</u>
Net liabilities		<u>(823,972)</u>	<u>(840,469)</u>
Capital and reserves			
Called up share capital	10	550	550
B Preference shares	10	450	450
Share premium account	11	449,450	449,450
Profit and loss account	11	<u>(1,274,422)</u>	<u>(1,290,919)</u>
Shareholders' deficit	11	<u>(823,972)</u>	<u>(840,469)</u>

The financial statements were approved by the Board on 19 September 2011 and signed on its behalf by



Peter C Rich
Director



Stephen Gamble
Director

Company Registration Number 4612136

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom applicable accounting standards

The principal accounting policies of the company have remained unchanged from the prior year and are set out below

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standards No 1 "Cash flow statements" not to prepare a cash flow statement on the grounds that the parent undertaking prepares a consolidated cash flow statement

Going concern

The financial statements are prepared on a going concern basis. This assumes that the company continues to receive support from its related undertaking, Rich Investments Limited. A letter of support has been received from the related undertaking, indicating that it will continue to provide financial support to the company for at least twelve months from the date of approval of these financial statements

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

Plant, machinery, furniture and equipment	3-15 years
Short leasehold property	Over the length of lease

Stocks

Stocks are valued at the lower of cost, including customs duty, if any, and net realisable value. Included within stocks are goods held by overseas third parties which the company has contracted to purchase

Deferred taxation

The payment of taxation is deferred or accelerated because of timing differences in the treatment of certain items for taxation and accounting purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen but not reversed by the balance sheet date, unless such provision is not permitted by FRS19. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered

Leased assets and obligations

All leases are "operating leases" and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

ACCOUNTING POLICIES...continued

Pension contributions

The company makes pension contributions to individuals' personal pension plans. These contributions are charged to the profit and loss account in the year in which they become payable.

Turnover

Turnover represents the sale of fine food net of value added tax and trade discounts.

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1 TURNOVER AND PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit before taxation were all derived from its principal activity Sales were all made in the United Kingdom

2 OTHER OPERATING EXPENSES

	2011 £	2010 £
Distribution costs	-	1,432
Administrative expenses	(16,497)	475,730
	<u>(16,497)</u>	<u>477,162</u>

3 OPERATING PROFIT/(LOSS)

	2011 £	2010 £
Loss on ordinary activities before taxation is stated after charging		
Depreciation charged On owned assets	-	90,254
Operating lease rentals Others	-	62,333
	<u>-</u>	<u>152,587</u>

Auditor's remuneration is borne by a fellow subsidiary undertaking

4 EMPLOYEES

	2011 No	2010 No
The average weekly number of persons (including directors) employed by the company during the year was		
Office and management	-	2
Shop staff	-	8
	<u>-</u>	<u>10</u>
	£	£
Staff costs for the above persons		
Wages and salaries	-	209,076
Social security costs	-	18,511
	<u>-</u>	<u>227,587</u>

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

5 TAX ON LOSS ON ORDINARY ACTIVITIES

	2011 £	2010 £
Profit/(loss) on ordinary activities for the year	<u>16,497</u>	<u>(174,942)</u>
Theoretical tax at UK corporation tax rate of 28%/21%	4,619	(48,984)
Effects of		
Difference between capital allowances and depreciation	(18,490)	(1,561)
Expenses not allowable for taxation purposes	3,741	22,071
Tax losses (utilised)/arising in the year	(138,182)	28,474
Group relief	454	-
Adjustments to tax charge in respect of previous years	-	(456)
Losses eliminated	<u>147,858</u>	<u>-</u>
Current tax charge / (credit) for the year	<u>-</u>	<u>(456)</u>

The unprovided deferred tax asset as at the Balance Sheet date is as follows

	2011 £	2010 £
Capital allowances in excess of depreciation	-	18,490
Tax losses	<u>-</u>	<u>138,182</u>
Unprovided deferred tax asset	<u>-</u>	<u>156,672</u>

The above assets have not been recognised due to uncertainties over the extent and timing of their future recovery

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

6 TANGIBLE FIXED ASSETS	<i>Short leasehold premises</i> £	<i>Fixtures and equipment</i> £	<i>Total</i> £
Cost			
At 1st April 2010	51,617	282,242	333,859
Disposals	(51,617)	(282,242)	(333,859)
At 31st March 2011	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation			
At 1 April 2010	51,617	266,988	318,605
Disposals	(51,617)	(266,988)	(318,605)
At 31st March 2011	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 March 2011	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 March 2010	<u>-</u>	<u>15,254</u>	<u>15,254</u>
7 STOCKS	2011 £	2010 £	
Finished goods and goods for resale	<u>-</u>	<u>18,668</u>	
8 DEBTORS	2011 £	2010 £	
Prepayments and accrued income	<u>-</u>	<u>37,529</u>	
	<u>-</u>	<u>37,529</u>	

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

9 CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Bank overdraft	823,972	793,787
Trade creditors	-	61,464
Amount owed to fellow subsidiary undertakings	-	23,785
Other taxation and social security costs	-	4,225
Accruals and deferred income	-	28,659
	<u>823,972</u>	<u>911,920</u>

Interest payable

The company enjoys a full set-off facility with its bank, and consequently the interest payable is reported in a fellow subsidiary company

10 SHARE CAPITAL

	2011 £	2010 £
'A' Ordinary shares of £1 each	550	550
B' Preference shares of £1 each	<u>450</u>	<u>450</u>
Allotted and issued and fully paid		
'A' Ordinary shares of £1 each	550	550
'B' Preference shares of £1 each	<u>450</u>	<u>450</u>

11 RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	Share capital £	B Preference Shares £	Share premium account £	Profit and loss account £	Total shareholders deficit £
At 1 April 2010	550	450	449,450	(1,290,919)	(840,469)
Retained profit for the year	<u>-</u>	<u>-</u>	<u>-</u>	16,497	<u>16,497</u>
At 31 March 2011	<u>550</u>	<u>450</u>	<u>449,450</u>	<u>(1,274,422)</u>	<u>(823,972)</u>

JEROBOAMS (HOLLAND PARK) LIMITED (formerly MCEC LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

12 RELATED PARTY TRANSACTIONS

There were no related party service transactions, as defined by Financial Reporting Standard No 8, in the period

13 CONTROLLING PARTY

The company's immediate parent undertaking is Jeroboams Limited, a company registered in England and Wales. This is the largest company to consolidate these accounts. The company's ultimate holding company is Lupines Limited, a company incorporated in Bermuda.

14 CAPITAL COMMITMENTS

There were no capital commitments outstanding at the period end.