

W C ROWE (FALMOUTH) LTD
ABBREVIATED ACCOUNTS
2 JANUARY 2010



WILLS BINGLEY LIMITED
Accountants & Statutory Auditor
St Denys House
22 East Hill
St Austell
Cornwall
PL25 4TR

W C ROWE (FALMOUTH) LTD

ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

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W C ROWE (FALMOUTH) LTD

THE DIRECTORS' REPORT

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

The directors have pleasure in presenting their report and the financial statements of the company for the period from 28 December 2008 to 2 January 2010.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the period was the production and wholesale and retail distribution of bread, confectionery and related products

Turnover increased by 13.1% in 2009, with increases in both the retail and wholesale side of the business. Profitability increased in the period due to the careful control of costs and rising sales. The gross profit percentage decreased due to rising costs of ingredients not passed on to customers and increases in energy bills and wages and salaries.

It is anticipated that there will also be an increase in profitability in the current financial year due to the continuing control of costs and rising sales.

The key financial highlights are as follows

	2009 £	2008 £	2007 £
Turnover	26,173,000	23,146,935	19,759,217
Turnover growth	13.1%	17.2%	12.0%
Gross profit margin	35.0%	36.4%	37.9%
Profit before tax	703,437	659,808	1,048,554

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £550,636. Particulars of dividends paid are detailed in note 7 to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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.

W C ROWE (FALMOUTH) LTD

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

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.

DIRECTORS

The directors who served the company during the period were as follows

A H Pearce
M Pearce
M A Rowe
K Lynch
M B Parsons
P W C Pearce
H M Jones

P W C Pearce was appointed as a director on 1 January 2009

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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.

W C ROWE (FALMOUTH) LTD

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information

DONATIONS

During the period the company made the following contributions

	Period from 28 December 2008 to 2 January 2010	Period from 30 December 2007 to 27 December 2008
	£	£
Charitable	<u>1,171</u>	<u>1,615</u>

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.

W C ROWE (FALMOUTH) LTD

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

AUDITOR

Wills Bingley Limited are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006

Registered office
68 Lemon Street
Truro
Cornwall
TR1 2PN

Signed by order of the directors



M PEARCE
Company Secretary

Approved by the directors on 22/9/10

W C ROWE (FALMOUTH) LTD
INDEPENDENT AUDITOR'S REPORT TO W C ROWE (FALMOUTH) LTD
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, Cash Flow Statement and the related notes, together with the financial statements of W C ROWE (FALMOUTH) LTD for the period from 28 December 2008 to 2 January 2010 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



J I WOOD FCCA (Senior Statutory Auditor)
For and on behalf of
WILLS BINGLEY LIMITED
Accountants
& Statutory Auditor

St Denys House
22 East Hill
St Austell
Cornwall
PL25 4TR

22/9/10

W C ROWE (FALMOUTH) LTD
ABBREVIATED PROFIT AND LOSS ACCOUNT
PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

		Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
TURNOVER	Note	26,173,000	23,146,935
Cost of Sales and Other operating income		16,986,486	14,720,023
Distribution costs		1,135,086	1,059,460
Administrative expenses		7,246,717	6,534,345
OPERATING PROFIT	2	804,711	833,107
Interest receivable		6	26
Interest payable and similar charges	5	(101,280)	(173,325)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		703,437	659,808
Tax on profit on ordinary activities	6	152,801	317,246
PROFIT FOR THE FINANCIAL PERIOD		550,636	342,562

All of the activities of the company are classed as continuing.

The notes on pages 10 to 23 form part of these abbreviated accounts.

W C ROWE (FALMOUTH) LTD
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Profit for the financial period attributable to the shareholders	550,636	342,562
Unrealised profit on revaluation of certain fixed assets	—	420,971
Total gains and losses recognised since the last annual report	<u>550,636</u>	<u>763,533</u>

The notes on pages 10 to 23 form part of these abbreviated accounts.

W C ROWE (FALMOUTH) LTD

ABBREVIATED BALANCE SHEET

2 JANUARY 2010

	Note	2 Jan 10 £	27 Dec 08 £
FIXED ASSETS			
Intangible assets	8	—	3,589
Tangible assets	9	9,242,963	9,021,837
Investments	10	60	60
		<u>9,243,023</u>	<u>9,025,486</u>
CURRENT ASSETS			
Stocks	11	1,102,267	1,267,984
Debtors	12	2,834,590	2,381,445
Cash in hand		2,510	2,662
		<u>3,939,367</u>	<u>3,652,091</u>
CREDITORS: Amounts falling due within one year	13	<u>3,812,571</u>	<u>3,689,763</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>126,796</u>	<u>(37,672)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,369,819</u>	<u>8,987,814</u>
CREDITORS: Amounts falling due after more than one year	14	3,018,594	3,117,832
PROVISIONS FOR LIABILITIES			
Deferred taxation	16	869,637	903,030
		<u>5,481,588</u>	<u>4,966,952</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	40,000	40,000
Revaluation reserve	19	978,504	978,504
Profit and loss account	20	4,463,084	3,948,448
SHAREHOLDERS' FUNDS	21	<u>5,481,588</u>	<u>4,966,952</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 22/9/10. . . , and are signed on their behalf by

Alan H Pearce

A H PEARCE
Director

Company Registration Number 1238149

The notes on pages 10 to 23 form part of these abbreviated accounts

W C ROWE (FALMOUTH) LTD

CASH FLOW STATEMENT

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

		Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	Note 22	1,875,819	1,530,118
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	22	(101,274)	(173,299)
TAXATION	22	(185,159)	(189,761)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	22	(1,118,997)	(1,482,009)
EQUITY DIVIDENDS PAID		(36,000)	—
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		434,389	(314,951)
FINANCING	22	2,201	98,236
INCREASE/(DECREASE) IN CASH	22	436,590	(216,715)

The notes on pages 10 to 23 form part of these abbreviated accounts.

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets

These assets are periodically re-valued by external specialists, at least every five years, with intervening years subject to internal reviews to assess the continued accuracy of the valuations

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Design & marketing - 4 years

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	-	Straight line over 100 years
Leasehold Property	-	Straight line over the life of the lease
Plant & Machinery	-	10 years straight line
Fixtures & Fittings	-	15 years
Motor Vehicles	-	4 years

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

1. ACCOUNTING POLICIES *(continued)*

Pension costs

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.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

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.

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting).

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Amortisation of government grants	241,918	245,213
Amortisation of government grants re fixed assets	(120,959)	(122,607)
Amortisation of intangible assets	33,578	22,433
Depreciation of owned fixed assets	766,761	711,180
Depreciation of assets held under hire purchase agreements	111,376	109,994
(Profit)/Loss on disposal of fixed assets	(10,255)	4,730
Auditor's remuneration		
- as auditor	7,250	7,000
Operating lease costs		
- Plant and equipment	4,398	4,457
- Other	451,526	348,649

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial period amounted to.

	Period from 28 Dec 08 to 2 Jan 10 No	Period from 30 Dec 07 to 27 Dec 08 No
Number of production staff	283	259
Number of distribution and retail staff	153	146
Number of administrative staff	66	57
	502	462

The aggregate payroll costs of the above were:

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Wages and salaries	8,998,728	8,134,514
Social security costs	84,564	75,511
Other pension costs	123,555	99,420
	9,206,847	8,309,445

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

4. DIRECTORS' REMUNERATION

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

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Remuneration receivable	721,070	628,084
Value of company pension contributions to money purchase schemes	81,517	57,842
	<u>802,587</u>	<u>685,926</u>

Remuneration of highest paid director:

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Total remuneration (excluding pension contributions)	315,638	165,798
Value of company pension contributions to money purchase schemes	56,850	42,670
	<u>372,488</u>	<u>208,468</u>

The number of directors who accrued benefits under company pension schemes was as follows

	Period from 28 Dec 08 to 2 Jan 10 No	Period from 30 Dec 07 to 27 Dec 08 No
Money purchase schemes	<u>6</u>	<u>6</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Interest payable on bank borrowing	12,959	36,392
Finance charges	15,160	37,648
Other similar charges payable	73,161	99,285
	<u>101,280</u>	<u>173,325</u>

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Current tax		
In respect of the period		
UK Corporation tax based on the results for the period at 26 08% (2008 - 26 31%)	186,765	185,153
Over/under provision in prior year	(571)	(3,164)
Total current tax	<u>186,194</u>	<u>181,989</u>
Deferred tax		
Origination and reversal of timing differences	(33,393)	135,257
Tax on profit on ordinary activities	<u>152,801</u>	<u>317,246</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 26 08% (2008 - 26 31%).

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Profit on ordinary activities before taxation	<u>703,437</u>	<u>659,808</u>
Profit on ordinary activities by rate of tax	183,456	173,595
Expenses not deductible for tax purposes	(23,173)	(25,222)
Capital allowances for period in excess of depreciation	26,454	36,802
Adjustments to tax charge in respect of previous periods	(571)	(3,164)
Rounding on tax charge	28	(22)
Total current tax (note 6(a))	<u>186,194</u>	<u>181,989</u>

7. DIVIDENDS

Equity dividends

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Paid during the year		
Equity dividends on ordinary shares	<u>36,000</u>	<u>—</u>

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

8. INTANGIBLE FIXED ASSETS

	Intangible £
COST	
At 28 December 2008 and 2 January 2010	<u>10,289</u>
AMORTISATION	
At 28 December 2008	6,700
Charge for the period	<u>3,589</u>
At 2 January 2010	<u>10,289</u>
NET BOOK VALUE	
At 2 January 2010	<u>-</u>
At 27 December 2008	<u>3,589</u>

The amounts capitalised in respect of the intangible fixed asset represent the set-up costs of establishing a potentially stand alone shop brand within the current product portfolio. Costs are to be carried forward until the market potential of the new brand is established. It is hoped to launch the first of the new branded shops in 2010.

9. TANGIBLE FIXED ASSETS

	F'hold property	L'hold property	Plant & Machinery	Fixtures & Fitting	Motor Vehicles	Total
	£	£	£	£	£	£
COST OR VALUATION						
At 28 Dec 2008	4,576,278	336,155	8,055,472	572,440	255,276	13,795,621
Additions	154,437	40,332	695,844	99,774	179,590	1,169,977
Disposals	-	(12,323)	(63,908)	(10,867)	(106,808)	(193,906)
At 2 Jan 2010	<u>4,730,715</u>	<u>364,164</u>	<u>8,687,408</u>	<u>661,347</u>	<u>328,058</u>	<u>14,771,692</u>
DEPRECIATION						
At 28 Dec 2008	258,134	90,517	3,942,788	285,446	196,899	4,773,784
Charge for the period	50,755	28,813	748,191	49,444	30,923	908,126
On disposals	-	(5,552)	(53,028)	(6,862)	(87,739)	(153,181)
At 2 Jan 2010	<u>308,889</u>	<u>113,778</u>	<u>4,637,951</u>	<u>328,028</u>	<u>140,083</u>	<u>5,528,729</u>
NET BOOK VALUE						
At 2 Jan 2010	<u>4,421,826</u>	<u>250,386</u>	<u>4,049,457</u>	<u>333,319</u>	<u>187,975</u>	<u>9,242,963</u>
At 27 Dec 2008	<u>4,318,144</u>	<u>245,638</u>	<u>4,112,684</u>	<u>286,994</u>	<u>58,377</u>	<u>9,021,837</u>

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

9. TANGIBLE FIXED ASSETS *(continued)*

The historical cost of freehold buildings is £3,992,685 and the depreciation provision is £375,333. Freehold land with a historical cost of £61,080 is not being depreciated.

The main bakery production land and buildings, bakehouse premises and shops were revalued during October 2008 by Miller Commercial Ltd, Chartered Surveyors, on an open market value basis. The valuations were made in accordance with the RICS recommended procedures. Miller Commercial Ltd are not connected to the company in any way. In the opinion of the directors, the valuation at the balance sheet date is not materially different to the of this professional valuation.

Hire purchase agreements

Included within the net book value of £9,242,963 is £894,622 (2008 - £962,151) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the period in respect of such assets amounted to £111,376 (2008 - £109,994).

10. INVESTMENTS

Listed investments

	£
COST	
At 28 December 2008 and 2 January 2010	<u>60</u>
NET BOOK VALUE	
At 2 January 2010 and 27 December 2008	<u>60</u>

11. STOCKS

	2 Jan 10 £	27 Dec 08 £
Raw materials	548,217	598,531
Finished goods	554,050	669,453
	<u>1,102,267</u>	<u>1,267,984</u>

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

12. DEBTORS

	2 Jan 10	27 Dec 08
	£	£
Trade debtors	2,321,422	1,941,142
Other debtors	324,817	303,302
Director's current account - A H Pearce	2,091	—
Director's current account - P Pearce	263	—
Prepayments and accrued income	185,997	137,001
	<u>2,834,590</u>	<u>2,381,445</u>

There are no amounts falling due after more than one year

13. CREDITORS: Amounts falling due within one year

	2 Jan 10	27 Dec 08
	£	£
Commercial loans	61,000	65,120
Bank loans and overdrafts	560,816	935,082
Trade creditors	2,041,340	1,705,195
Other creditors including taxation and social security:		
Corporation tax	187,520	186,485
Other taxation and social security	267,112	205,645
Hire purchase agreements	221,870	196,496
Other creditors	120,959	122,606
Other creditors	290,550	151,882
Director's current account - A H Pearce	—	20,261
	<u>3,751,167</u>	<u>3,588,772</u>
Accruals and deferred income	61,404	100,991
	<u>3,812,571</u>	<u>3,689,763</u>

Bank loans and overdrafts and the commercial loans are secured on company freehold properties

Liabilities under hire purchase agreements and chattel mortgages are secured on the assets to which they relate

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2 Jan 10	27 Dec 08
	£	£
Bank loans and overdrafts	560,816	935,082
Other creditors including taxation and social security	61,000	65,120
	<u>621,816</u>	<u>1,000,202</u>

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

14. CREDITORS: Amounts falling due after more than one year

	2 Jan 10 £	27 Dec 08 £
Commercial loans	35,583	100,473
Bank loans and overdrafts	1,753,728	1,694,228
Other creditors.		
Hire purchase agreements	487,958	462,495
Other creditors	741,325	860,636
	<u>3,018,594</u>	<u>3,117,832</u>

Bank loans and the commercial loans are secured on company freehold properties

Liabilities under hire purchase agreements are secured on the assets to which they relate

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2 Jan 10 £	27 Dec 08 £
Bank loans and overdrafts	1,753,728	1,210,566
Other creditors	35,583	100,473
	<u>1,789,311</u>	<u>1,311,039</u>

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date

	2 Jan 10 £	27 Dec 08 £
Bank loans and overdrafts	789,665	763,236

The terms of repayment and interest rates on loans which have more than 5 years to maturity are as follows

Commercial mortgage - monthly over 10 years from 2007, at an interest rate 1 2% over bank base rate per annum

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

15. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	2 Jan 10 £	27 Dec 08 £
Amounts payable within 1 year	232,119	213,927
Amounts payable between 2 to 5 years	495,172	462,494
	<u>727,291</u>	<u>676,421</u>
Less interest and finance charges relating to future periods	(17,463)	(17,430)
	<u>709,828</u>	<u>658,991</u>
Hire purchase agreements are analysed as follows:		
Current obligations	221,870	196,496
Non-current obligations	487,958	462,495
	<u>709,828</u>	<u>658,991</u>

16. DEFERRED TAXATION

The movement in the deferred taxation provision during the period was

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Provision brought forward	903,030	767,773
Profit and loss account movement arising during the period	(33,393)	135,257
Provision carried forward	<u>869,637</u>	<u>903,030</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2 Jan 10 £	27 Dec 08 £
Excess of taxation allowances over depreciation on fixed assets	869,637	903,030
	<u>869,637</u>	<u>903,030</u>

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NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

17. COMMITMENTS UNDER OPERATING LEASES

At 2 January 2010 the company had annual commitments under non-cancellable operating leases as set out below

	2 Jan 10		27 Dec 08	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire				
Within 1 year	29,971	127,223	26,471	163,321
Within 2 to 5 years	62,700	133,796	-	258,922
After more than 5 years	284,200	-	194,700	-
	<u>376,871</u>	<u>261,019</u>	<u>221,171</u>	<u>422,243</u>

The majority of leases of land and buildings are subject to rent reviews at periodic intervals ranging between 1 and 5 years

18. SHARE CAPITAL

Authorised share capital:

	2 Jan 10 £	27 Dec 08 £
40,000 Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>

Allotted, called up and fully paid:

	2 Jan 10		27 Dec 08	
	No	£	No	£
40,000 Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>

19. REVALUATION RESERVE

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Balance brought forward	978,504	557,533
Revaluation of fixed assets	-	420,971
Balance carried forward	<u>978,504</u>	<u>978,504</u>

No adjustment has been made to the revaluation reserve in the year to represent the difference between historical cost depreciation and the depreciation on the revalued amounts since, in the opinions of the directors, this difference is immaterial

No adjustment for deferred taxation on the revaluation has been made in accordance with the requirements of Financial Reporting Standard 19 due to the fact that the revalued properties are unlikely to be sold in the foreseeable future

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

20. PROFIT AND LOSS ACCOUNT

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Balance brought forward	3,948,448	3,605,886
Profit for the financial period	550,636	342,562
Equity dividends	(36,000)	—
Balance carried forward	<u>4,463,084</u>	<u>3,948,448</u>

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2 Jan 10 £	27 Dec 08 £
Profit for the financial period	550,636	342,562
Other net recognised gains and losses	—	420,971
Equity dividends	(36,000)	—
Net addition to shareholders' funds	514,636	763,533
Opening shareholders' funds	<u>4,966,952</u>	<u>4,203,419</u>
Closing shareholders' funds	<u>5,481,588</u>	<u>4,966,952</u>

22. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Operating profit	804,711	833,107
Amortisation	3,589	2,663
Depreciation	908,126	840,945
(Profit)/Loss on disposal of fixed assets	(10,255)	4,730
Amortisation of government grants	120,959	122,606
Decrease/(increase) in stocks	165,717	(289,385)
Increase in debtors	(453,145)	(184,525)
Increase in creditors	336,117	199,977
Net cash inflow from operating activities	<u>1,875,819</u>	<u>1,530,118</u>

W C ROWE (FALMOUTH) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

22. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Interest received	6	26
Interest paid	(86,120)	(135,677)
Interest element of hire purchase	(15,160)	(37,648)
Net cash outflow from returns on investments and servicing of finance	<u>(101,274)</u>	<u>(173,299)</u>

TAXATION

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Taxation	<u>(185,159)</u>	<u>(189,761)</u>

CAPITAL EXPENDITURE

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Payments to acquire tangible fixed assets	(1,169,977)	(1,503,033)
Receipts from sale of fixed assets	50,980	21,024
Net cash outflow from capital expenditure	<u>(1,118,997)</u>	<u>(1,482,009)</u>

FINANCING

	Period from 28 Dec 08 to 2 Jan 10 £	Period from 30 Dec 07 to 27 Dec 08 £
Repayment of debenture loans	(69,010)	(441,698)
Increase in bank loans	121,976	559,791
Net inflow from other short-term creditors	138,668	11,332
Capital element of hire purchase	50,837	214,024
Net outflow from other long-term creditors	(119,311)	(122,607)
Repayment of grants	(120,959)	(122,606)
Net cash inflow from financing	<u>2,201</u>	<u>98,236</u>

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NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 28 DECEMBER 2008 TO 2 JANUARY 2010

22. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2 Jan 10	27 Dec 08
	£	£
Increase/(decrease) in cash in the period	436,590	(216,715)
Net cash outflow from debenture loans	69,010	441,698
Net cash (inflow) from bank loans	(121,976)	(559,791)
Net (inflow) from other short-term creditors	(138,668)	(11,332)
Cash outflow in respect of hire purchase	(50,837)	(214,024)
Net cash outflow from other long-term creditors	119,311	122,607
	<u>313,430</u>	<u>(437,557)</u>
Change in net debt	313,430	(437,557)
Net debt at 28 December 2008	<u>(4,463,750)</u>	<u>(4,026,193)</u>
Net debt at 2 January 2010	<u>(4,150,320)</u>	<u>(4,463,750)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 28 Dec 2008	Cash flows	At 2 Jan 2010
	£	£	£
Net cash			
Cash in hand and at bank	2,662	(152)	2,510
Overdrafts	<u>(609,711)</u>	<u>436,742</u>	<u>(172,969)</u>
	<u>(607,049)</u>	<u>436,590</u>	<u>(170,459)</u>
Debt			
Debt due within 1 year	(542,373)	(197,024)	(739,397)
Debt due after 1 year	<u>(2,655,337)</u>	<u>124,701</u>	<u>(2,530,636)</u>
Hire purchase agreements	<u>(658,991)</u>	<u>(50,837)</u>	<u>(709,828)</u>
	<u>(3,856,701)</u>	<u>(123,160)</u>	<u>(3,979,861)</u>
Net debt	<u>(4,463,750)</u>	<u>313,430</u>	<u>(4,150,320)</u>