

# **Mojo Wholesale Limited**

**Directors' report and financial  
statements**

**Registered number 1203878**

**3 April 2010**

WEDNESDAY



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## **Contents**

Directors' report	1
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	3
Independent auditors' report to the members of Mojo Wholesale Limited	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

## **Directors' report**

The directors present their annual report and the audited financial statements for Mojo Wholesale Limited (registered number 1203878) for the 52 week period ended 3 April 2010

### **Principal activities and business review**

The Company's principal activities during the period were those of procurement agents and suppliers of confectionery, soft drinks, crisps and snacks, grocery, alcohol, chilled and frozen and related products

The results for the period are set out in the profit and loss account on page 6

The Company continues to develop strong trading arrangements with key customers and suppliers to service an identified market niche. During the year the Company realigned its' business model and concentrated its' resources into generating increased sales to third parties. As a result of these changes, the company has seen a significant increase in sales on last year from £4.8M to £13.2M. Gross profit has been similarly affected by these changes and has increased from £0.6M last year to £1M in the current financial year. As a result pre tax profits have increased on last year from £0.4M to £0.9M.

Overall the directors are satisfied with the development of the business during the period and with the financial position at the end of the period. The directors intend that the company should continue to trade with the same principal activity for the foreseeable future, and the directors anticipate further growth in business as the customer and supplier bases continue to develop.

The challenge facing the business continues to be the constant changes in the product supply chain.

### **Dividends**

The directors do not recommend the payment of a dividend (2009 £nil)

### **Directors**

The directors who held office during the period are set out below

C B Adams, FCA

C Etherington

G S McPherson (died on 15 April 2009)

J D Moxon, ACA

### **Employees**

The company's policy continues to be that wherever possible full consideration is given to the employment, training, career development and promotion of disabled persons.

In addition, it is the policy of the company to provide information to consult with and involve all employees wherever practicable to help make them aware of any factors affecting the company.

### **Political and charitable donations**

The company made no charitable donations or political donations (2009 £nil)

**Directors' report** *(continued)*

**Disclosure of Information**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



**A L McKelvie**  
*Secretary*

22 July 2010

P&H House  
Davigdor Road  
Hove  
East Sussex  
BN3 1RE

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK 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 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 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 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities



**KPMG LLP**

1 Forest Gate  
Brighton Road  
Crawley  
RH11 9PT

**Independent auditors' report to the members of Mojo Wholesale Limited**

We have audited the financial statements of Mojo Wholesale Limited for the period ended 3 April 2010 set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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, 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 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 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**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

**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 3 April 2010 and of its profit for the period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditors' report to the members of Mojo Wholesale 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, 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



**M Sheppard (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
1 Forest Gate  
Brighton Road  
Crawley  
RH11 9PT

22 July 2010

**Profit and loss account**  
*for the period ended 3 April 2010*

	<i>Notes</i>	<b>Period ended 3 April 2010</b>	Period ended 4 April 2009
		<b>£'000</b>	<b>£'000</b>
<b>Turnover</b>	<i>1</i>	<b>13,230</b>	<b>4,808</b>
Cost of sales		<b>(12,221)</b>	<b>(4,192)</b>
<b>Gross profit</b>		<b>1,009</b>	<b>616</b>
Administrative expenses		<b>(142)</b>	<b>(126)</b>
<b>Profit on ordinary activities before taxation</b>	<i>2-3</i>	<b>867</b>	<b>490</b>
Tax on profit on ordinary activities	<i>4</i>	<b>(243)</b>	<b>(137)</b>
<b>Profit on ordinary activities after taxation</b>		<b>624</b>	<b>353</b>

The above profits arose solely from continuing activities

The company had no gains or losses in the current or preceding periods other than those stated above

The notes on pages 8 to 12 form part of these financial statements



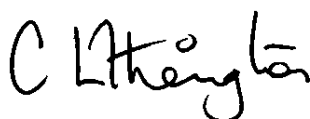
## Balance sheet

at 3 April 2010

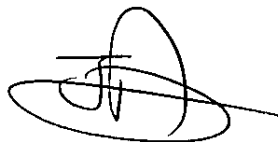
	Notes	2010		2009	
		£'000	£'000	£'000	£'000
<b>Current assets</b>					
Debtors	5	2,733		1,276	
Cash at bank and in hand		-		132	
		<u>2,733</u>		<u>1,408</u>	
<b>Creditors</b> amounts falling due within one year	6	<u>(1,731)</u>		<u>(1,030)</u>	
<b>Net current assets</b>			<u>1,002</u>		<u>378</u>
<b>Net assets</b>			<u>1,002</u>		<u>378</u>
<b>Capital and reserves</b>					
Called up share capital	8		25		25
Profit and loss account	7		977		353
<b>Equity shareholders' funds</b>	7		<u>1,002</u>		<u>378</u>

The notes on pages 8 to 12 form part of these financial statements

These financial statements were approved by the board of directors on 22 July 2010 and were signed on its behalf by



**C Etherington**  
 Director



**J D Moxon**  
 Director

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

#### ***Basis of preparation***

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

#### ***Going Concern***

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors

#### ***Related parties***

As the company is a wholly owned subsidiary of Palmer & Harvey (Holdings) Plc, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Palmer & Harvey (Holdings) Plc, within which this company is included, can be obtained from Companies House

#### ***Cash flow statement***

Under FRS 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of Palmer & Harvey (Holdings) Plc, and its cash flows are included within the consolidated cash flow statement of that company

#### ***Pensions***

The company is a member of a group pension scheme providing benefits based on final pensionable pay in respect of service up to 30 September 2006 and on a CARE basis for service after that date. The assets of the scheme are held separately from those of the group mainly being invested with insurance companies. The company is unable to identify the share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement Benefits', accounts for the scheme as if it were a defined contribution scheme. Further details are provided in note 10

#### ***Turnover***

Turnover represents management fees earned by virtue of the agency arrangement and the value of goods and services delivered excluding goods delivered under the agency arrangement and value added tax

## Notes (continued)

### 2 Profit on ordinary activities before taxation

	2010 £'000	2009 £'000
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration		
Audit of these financial statements	5	1
	<u>5</u>	<u>1</u>

### 3 Directors and employees

	2010 £'000	2009 £'000
<b>Staff costs (including directors' remuneration)</b>		
Wages and salaries	76	89
Social security costs	6	9
Other pension costs (See note 10)	5	12
	<u>87</u>	<u>110</u>

The average number of persons employed by the company during the period is analysed below

	2010 Number	2009 Number
Office and management	3	3
	<u>3</u>	<u>3</u>

The directors are remunerated for their services to the company by other Group companies

### 4 Taxation

	2010 £'000	2009 £'000
UK corporation tax		
Current tax	243	137
Total current tax	<u>243</u>	<u>137</u>
Deferred taxation	-	-
Tax on profit on ordinary activities	<u>243</u>	<u>137</u>

## Notes (continued)

### Reconciliation of current period tax charge

The standard rate of corporation tax for the period is 28% (2009 28%)

	2010 £'000	2009 £'000
Profit on ordinary activities before taxation	867	490
Tax on profit on ordinary activities at standard rate	243	137
Factors affecting charge		
Disallowable expenses	-	-
Current tax charge for the period	243	137

### 5 Debtors

	2010 £'000	2009 £'000
Amounts owed by group undertakings	-	703
Trade debtors	2,614	552
VAT	43	-
Other debtors	76	21
	2,733	1,276

### 6 Creditors: amounts falling due within one year

	2010 £'000	2009 £'000
Trade creditors	31	892
Corporation tax	-	137
VAT	50	-
Accruals and deferred income	5	1
Bank overdraft	160	-
Amounts owed to group undertakings	1,485	-
	1,731	1,030

## Notes (continued)

### 7 Reconciliation of movements in shareholders funds

	Allotted, called up and fully paid ordinary shares of £1 each £'000	Profit and loss account £'000	Total £'000
At beginning of period	25	353	378
Profit for the financial period	-	624	624
At end of period	25	977	1,002

### 8 Called up share capital

	2010 £'000	2009 £'000
Allotted, issued and fully paid 25 050 ordinary shares of £1 each	25	25

### 9 Contingent liabilities

The company and its fellow subsidiaries are jointly and severally liable for the indebtedness of the group to its bankers, Barclays Bank Plc and are subject to a fixed and floating charge over the company's assets, with the exception of the bank accounts which support a bank guarantee to the Palmer & Harvey (Holdings) Plc 'A' Loan stock and 'A' Preference shareholders. There is a right of set off between all other bank accounts. At 3 April 2010 the company's contingent liability amounted to £131,353,000 (2009 £201,838,000)

### 10 Pension scheme

As explained in note 1, the company is a member of a group pension scheme providing benefits based on final pensionable pay, in respect of service up to 30 September 2006 and on a CARE basis for service after that date. The assets of the scheme are held separately from those of the group mainly being invested with insurance companies.

The pension cost charge for the period represents contributions payable by the company to the scheme and amounts to £5,000 (2009 £12,000)

Contributions to the scheme are based on pension costs across the group as a whole and are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the group. The contributions are determined by a qualified actuary on the basis of triennial valuations. The latest full actuarial valuation was carried out at 31 March 2008 and was updated to 31 March 2010 by a qualified independent actuary and concluded that the scheme was in deficit. It has been agreed that an employer contribution rate of 5.9% of pensionable salaries or £80,600 per month if higher for future years will apply, plus £137,500 per month for past service.

Since the company is unable to identify its share of the underlying assets and liabilities in this scheme on a consistent and reasonable basis, it accounts for the cost on a contributions payable basis. Details of the scheme, which is in deficit, are disclosed in the financial statements of Palmer & Harvey (Holdings) Plc, the company's ultimate holding company.

**Notes** *(continued)*

**11 Ultimate parent company and parent undertaking of a larger group**

The company's ultimate parent undertaking is Palmer & Harvey (Holdings) Plc which is incorporated in the United Kingdom and registered in England and Wales

The largest group in which the results of the company are consolidated is that headed by Palmer & Harvey (Holdings) Plc. The consolidated financial statements of Palmer & Harvey (Holdings) Plc are available to the public and may be obtained from Companies House

No other group financial statements include the results of the company