

Company Registration No. 01744365 (England and Wales)

BROOKS MCROBBIE LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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BROOKS MCROBBIE LIMITED

COMPANY INFORMATION

Director	J W Brooks
Company number	01744365
Registered office	43 St John Street London EC1M 4LX
Auditors	Beavis Morgan Audit Limited 82 St John Street London EC1M 4JN

BROOKS MCROBBIE LIMITED

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BROOKS MCROBBIE LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The director presents his report and financial statements for the year ended 31 December 2012

Principal activities and review of the business

The company's principal activity during the year continued to be trading in dairy products

The year 2012 was a year of transition. There were changes to the trading team and a change to the major objectives in terms of product type and target markets. Previously the principle tonnage handled had been cream, but this was considered to be a product that had not been yielding a sufficient margin to cover the actual cost of handling. The focus was switched to other products such as Raw Milk and Skimmed Milk Concentrate which the company is now trading very successfully. Whilst maintaining a significant cream throughput.

In addition, the trading team was expanded with the objective to increase both purchases and sales in the UK and France. The gross margin increased in terms of actual value and also percentage. This improvement has continued into 2013. Gross margins are climbing and markets are expanding. The future development of the company is clear and looks promising.

Results and dividends

The results for the year are set out on page 5.

The director does not propose to pay a final dividend.

Future developments

The company continues to evolve with the markets. Clear objectives have been set in addition to the maintenance of the improved gross margins. New products have been introduced to the product list together with new suppliers and customers in the UK, France, Portugal and Italy.

Director

The following director has held office since 1 January 2012.

J W Brooks

Financial Instruments

The company is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through strict credit control procedures. The company's customers are credit insured and the company only trades with those customers within the credit limits imposed by their credit insurer. The company's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency risks. Its policy is to finance working capital through retained earnings and through borrowings at prevailing market interest rates, and to fix the sterling rate of exported goods by entering into forward exchange contracts at the time of ordering. The company does not use hedge accounting. Bank facilities include confidential invoice discounting through RBS Invoice Finance which provides substantial cash availability.

Auditors

Beavis Morgan Audit Limited were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

BROOKS MCROBBIE LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to

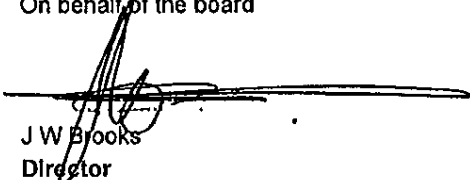
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 of disclosure to auditors

So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as director in order to make himself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



J W Brooks

Director

19 August 2013

BROOKS MCROBBIE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BROOKS MCROBBIE LIMITED

We have audited the financial statements of Brooks McRobbie Limited for the year ended 31 December 2012 set out on pages 5 to 16. 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 auditors' 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 director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page 2, the director is 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BROOKS MCROBBIE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BROOKS MCROBBIE 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

Beavis Morgan Audit Ltd

Matthew Burge (Senior Statutory Auditor)
for and on behalf of Beavis Morgan Audit Limited

19 August 2013

Chartered Accountants
Statutory Auditor

82 St John Street
London
EC1M 4JN

BROOKS MCROBBIE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Turnover	2	27,645,038	37,178,036
Cost of sales		(26,777,135)	(36,450,702)
Gross profit		867,903	727,334
Administrative expenses		(779,058)	(816,826)
Operating profit/(loss)	3	88,845	(89,492)
Other interest receivable and similar income	4	1,515	2,096
Interest payable and similar charges	5	(60,021)	(37,265)
Profit/(loss) on ordinary activities before taxation		30,339	(124,661)
Tax on profit/(loss) on ordinary activities	6	(457)	-
Profit/(loss) for the year	15	29,882	(124,661)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

BROOKS MCROBBIE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	8		12,810		11,000
Investments	9		100		100
			<u>12,910</u>		<u>11,100</u>
Current assets					
Stocks	10	258,359		67,147	
Debtors	11	3,893,560		3,934,166	
Cash at bank and in hand		107,345		42,662	
		<u>4,259,264</u>		<u>4,043,975</u>	
Creditors: amounts falling due within one year	12	<u>(4,054,287)</u>		<u>(3,777,070)</u>	
Net current assets			<u>204,977</u>		<u>266,905</u>
Total assets less current liabilities			<u>217,887</u>		<u>278,005</u>
Capital and reserves					
Called up share capital	14		10,000		10,000
Profit and loss account	15		207,887		268,005
Shareholders' funds	16		<u>217,887</u>		<u>278,005</u>

Approved by the Board and authorised for issue on 19 August 2013


J W Brooks
Director

Company Registration No. 01744365

BROOKS MCROBBIE LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	£	£
Net cash outflow from operating activities	(315,484)	(1,203,390)
Returns on Investments and servicing of finance		
Interest received	1,515	2,096
Interest paid	(60,021)	(37,265)
Net cash outflow for returns on investments and servicing of finance	(58,506)	(35,169)
Taxation	(1,030)	(146)
Capital expenditure		
Payments to acquire tangible assets	(5,105)	(4,517)
Net cash outflow for capital expenditure	(5,105)	(4,517)
Equity dividends paid	(90,000)	(47,872)
Net cash outflow before management of liquid resources and financing	(470,125)	(1,291,094)
Decrease in cash in the year	(470,125)	(1,291,094)

BROOKS MCROBBIE LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

1	Reconciliation of operating profit/(loss) to net cash outflow from operating activities	2012	2011
		£	£
	Operating profit/(loss)	88,845	(89,492)
	Depreciation of tangible assets	3,295	1,517
	(Increase)/decrease in stocks	(191,212)	35,417
	Decrease/(increase) in debtors	40,606	(1,091,856)
	Decrease in creditors within one year	(257,018)	(58,976)
	Net cash outflow from operating activities	(315,484)	(1,203,390)

2	Analysis of net debt	1 January 2012	Cash flow	Other non-cash changes	31 December 2012
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	42,662	64,683	-	107,345
	Bank overdrafts	(264,286)	(534,808)	-	(799,094)
		<u>(221,624)</u>	<u>(470,125)</u>	<u>-</u>	<u>(691,749)</u>
	Bank deposits	-	-	-	-
	Net debt	(221,624)	(470,125)	-	(691,749)

3	Reconciliation of net cash flow to movement in net debt	2012	2011
		£	£
	Decrease in cash in the year	(470,125)	(1,291,094)
	Movement in net debt in the year	(470,125)	(1,291,094)
	Opening net (debt)/funds	(221,624)	1,069,470
	Closing net debt	(691,749)	(221,624)

BROOKS MCROBBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared on the basis that the fundamental accounting concept of going concern is applied. J W Brooks, the company director, will continue to provide financial support to the company. Projected cash flow forecasts have been prepared for at least 12 months from the date of the director's approval of these financial statements. In light of this, it is considered that the company will be able to continue in operational existence for the foreseeable future.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents sales of goods contractually sold and delivered in the year, excluding value added tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	25% per annum on cost
Fixtures, fittings & equipment	10% per annum on cost
Motor vehicles	25% per annum on cost

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock

Stock consists of goods purchased from suppliers that are in transit at the year end. It is valued at the lower of cost and net realisable value.

Cost is based on the cost of purchase per trade. Net realisable value is based on estimated selling price less additional costs to completion.

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

BROOKS MCROBBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

(continued)

1.10 Foreign currency translation

The company has changed its policy with regards to monetary assets and liabilities denominated in foreign currencies during the year. The company has entered into forward exchange contracts in the year and for the amounts that are covered by these contracts, these are translated into sterling at the maturity rates agreed on the contracts. The remaining amounts that are not covered by the contracts are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

1.11 Group accounts

The company and its subsidiary comprise a medium-sized group. The company has taken advantage of the exemption provided by section 402 of the Companies Act 2006 not to prepare group accounts as the subsidiary, which is dormant, is not material.

The financial statements accordingly present information about the company as an individual undertaking and not about its group.

2 Turnover and profit/(loss) on ordinary activities before taxation

Class of business	Turnover	
	2012 £	2011 £
United Kingdom	5,048,926	10,038,070
Rest of the European Union	22,596,112	27,139,966
	<u>27,645,038</u>	<u>37,178,036</u>

3 Operating profit/(loss)

	2012 £	2011 £
Operating profit/(loss) is stated after charging		
Depreciation of tangible assets	3,295	1,517
Operating lease rentals	22,000	22,000
Auditors' remuneration	10,500	6,000
Director's remuneration	83,537	94,859
and after crediting:		
Profit on foreign exchange transactions	<u>(16,431)</u>	<u>(19,311)</u>

BROOKS MCROBBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

4	Investment income	2012	2011
		£	£
	Bank interest	1,515	2,096
		<u>1,515</u>	<u>2,096</u>
5	Interest payable	2012	2011
		£	£
	On bank loans and overdrafts	60,021	37,265
		<u>60,021</u>	<u>37,265</u>
6	Taxation	2012	2011
		£	£
	Domestic current year tax		
	U K corporation tax	203	-
	Adjustment for prior years	254	-
	Total current tax	<u>457</u>	<u>-</u>
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	30,339	(124,661)
		<u>30,339</u>	<u>(124,661)</u>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2011 - 20.00%)	6,068	(24,932)
		<u>6,068</u>	<u>(24,932)</u>
	Effects of		
	Non deductible expenses	6,495	4,370
	Depreciation add back	659	303
	Capital allowances	(1,281)	(1,254)
	Tax losses utilised	(11,738)	(419)
	Adjustments to previous periods	254	-
	Tax losses for the period	-	21,932
		<u>(5,611)</u>	<u>24,932</u>
	Current tax charge for the year	<u>457</u>	<u>-</u>

The company has estimated losses of £ 45,000 (2011 - £ 107,566) available for carry forward against future trading profits

BROOKS MCROBBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

7	Dividends	2012	2011
		£	£
	Ordinary final paid	<u>90,000</u>	<u>47,872</u>

8	Tangible fixed assets	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
		£	£	£	£
	Cost				
	At 1 January 2012	59,249	51,791	13,425	124,465
	Additions	<u>3,231</u>	<u>1,874</u>	<u>-</u>	<u>5,105</u>
	At 31 December 2012	<u>62,480</u>	<u>53,665</u>	<u>13,425</u>	<u>129,570</u>
	Depreciation				
	At 1 January 2012	51,249	48,791	13,425	113,465
	Charge for the year	<u>2,808</u>	<u>487</u>	<u>-</u>	<u>3,295</u>
	At 31 December 2012	<u>54,057</u>	<u>49,278</u>	<u>13,425</u>	<u>116,760</u>
	Net book value				
	At 31 December 2012	<u>8,423</u>	<u>4,387</u>	<u>-</u>	<u>12,810</u>
	At 31 December 2011	<u>8,000</u>	<u>3,000</u>	<u>-</u>	<u>11,000</u>

BROOKS MCROBBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2012 & at 31 December 2012	100
Net book value	
At 31 December 2012	100
At 31 December 2011	100

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
J W Brooks Consulting Limited	England & Wales	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves (Unaudited) 2012 £	Profit/(loss) for the year (Unaudited) 2012 £
J W Brooks Consulting Limited	Principal activity Dormant	100	-

10 Stocks

	2012 £	2011 £
Goods in transit	258,359	67,147

BROOKS MCROBBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

11 Debtors	2012 £	2011 £
Trade debtors	3,614,228	3,476,566
Amounts owed by subsidiary undertakings	5,287	-
Other debtors	274,045	457,600
	<u>3,893,560</u>	<u>3,934,166</u>

12 Creditors: amounts falling due within one year	2012 £	2011 £
Bank loans and overdrafts	799,094	264,286
Trade creditors	3,243,974	3,318,405
Corporation tax	203	776
Other taxes and social security costs	1,016	1,016
Other creditors	-	150,878
Accruals and deferred income	10,000	41,709
	<u>4,054,287</u>	<u>3,777,070</u>

The company has a bank overdraft facility which is secured by a debenture creating fixed and floating charges over all of the company's assets.

Bank loans and overdraft in the total of £799,094 (2011 - £264,286) represents the balance due to the bank on an invoice discounting agreement. These amounts are secured on the trade debtors of the company.

13 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2012 £	2011 £
Contributions payable by the company for the year	<u>15,013</u>	<u>19,112</u>

BROOKS MCROBBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

14 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2012	268,005
Profit for the year	29,882
Dividends paid	<u>(90,000)</u>
Balance at 31 December 2012	<u>207,887</u>

16 Reconciliation of movements in shareholders' funds	2012	2011
	£	£
Profit/(Loss) for the financial year	29,882	(124,661)
Dividends	<u>(90,000)</u>	<u>(47,872)</u>
Net depletion in shareholders' funds	(60,118)	(172,533)
Opening shareholders' funds	<u>278,005</u>	<u>450,538</u>
Closing shareholders' funds	<u>217,887</u>	<u>278,005</u>

17 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013:

	Other	2011
	2012	£
	£	
Operating leases which expire		
Within one year	1,951	-
Between two and five years	<u>2,484</u>	<u>4,435</u>
	<u>4,435</u>	<u>4,435</u>

BROOKS MCROBBIE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

18	Director's remuneration	2012 £	2011 £
	Remuneration for qualifying services	<u>83,537</u>	<u>94,859</u>

No directors (2011 - £nil) had pension benefits accruing under defined contribution pension schemes

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2012 Number	2011 Number
Administration	<u>10</u>	<u>9</u>

Employment costs	2012 £	2011 £
Wages and salaries	367,865	383,921
Social security costs	40,403	39,591
Other pension costs	15,013	19,112
	<u>423,281</u>	<u>442,624</u>

20 Control

J W Brooks is the company's ultimate controlling party by virtue of his 100% holding of the company's share capital

21 Related party relationships and transactions

At the balance sheet date, the company director J W Brooks owed the company £31,785 (2011 - £47,872). The maximum liability outstanding during the year was £156,785 (2011 - £194,172). The loan is interest-free and is included within other debtors.