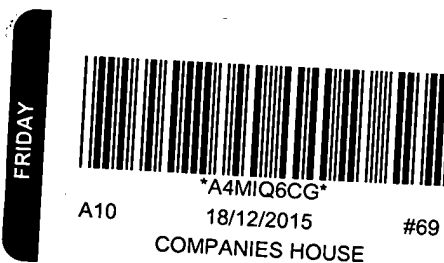


**WHOLEBAKE LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**For the year ended 31 March 2015**



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**WHOLEBAKE LIMITED**  
For the year ended 31 March 2015

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**COMPANY INFORMATION**

Directors	R P Shaw M L Gould J Kelly
Company Number	03292581
Country of incorporation	United Kingdom
Registered Office	Unit 41a Abenbury Way Wrexham Industrial Estate Wrexham LL13 9UZ
Auditors	Grant Thornton UK LLP 4 Hardman Square Spinningfields Manchester M3 3EB
Business Address	Tyn Y Llidiart Industrial Estate Corwen Denbighshire Wales LL21 9RR
Bankers	Barclays Bank plc Raymond Court Princes Drive Colwyn Bay North Wales BX3 2BB

## STRATEGIC REPORT

The directors present their report and financial statements for the year ended 31 March 2015.

### Review of the business

The company is based in Corwen, North Wales with manufacturing, warehousing and offices accommodation totalling approximately 22,000 sq. ft. of which circa two thirds is utilised for manufacturing. During the year a warehouse and office block was rented in Wrexham totalling approximately 12,000 sq. ft. The company's registered address changed to Wrexham in May 2015. The Company had 111 (2014: 67) employees as of 31 March 2015.

On 24 July 2014 Wholebake (Topco) Limited, the ultimate parent company of Wholebake Limited, was acquired by Healthfull Holdings Group Limited. As part of the acquisition Healthfull Holdings Limited settled the long term bank loans held between Wholebake and Barclays Bank and purchased all of the shares outstanding from the previous investor, Finance Wales, and part of the shares of directors Mark Gould and Richard Shaw.

### Principal risks and uncertainties

The company manufactures a range of healthy natural snack bars, both under its own brands (9bar, Wholebake and Seed Stacked) and also those of its contract customers. As a result the company sources a large proportion of its ingredients from numerous origins around the world, and costs prices can fluctuate markedly according to size and quality of harvests and also currency movements and therefore as at 31 March 2015, the company had formal contracts in place for circa 50% (2014: 77%) of the following year's ingredients requirements. The reduction from the prior year is driven by the volatile state of the cashew and pumpkin seed markets at 31 March 2015, and advice from key suppliers to delay entering into long term contracts until the market settles. In addition, long term contracts are not available for protein nuggets which are 10% of total requirements.

### The position of the company at the year end

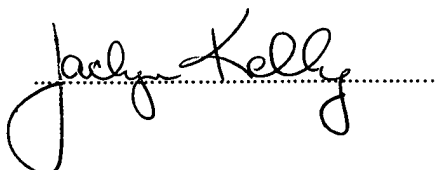
Working Capital – The company had current assets of £6,417,000 (2014: £3,916,000) compared to current liabilities of £3,875,000 (2014: £2,088,000) demonstrating good liquidity with 3<sup>rd</sup> party debt reducing following the purchase of the group by Healthfull Holdings Ltd in July 2014.

Capital and Reserves – The company is well capitalised with £3,765,000 (2014: £2,839,000) of shareholder funds, an increase of 33% on 2014.

### Analysis based on key performance indicators

The company's revenues increased to £16,196,000 in 2015, or 41% above the prior year revenues of £11,498,000 in 2014. Although higher sales the operating profit for the year was £1,240,000 or 34% lower than the prior year due to the recruitment of broader executive and management teams including a CFO, Sales Director and Operations Manager. Additionally, Wholebake invested in a separate warehousing facility in 2014 and the team to manage the additional site. These investments were key to the underpinning of the company's significant growth strategy. The company expects 2016 revenues to again show strong growth, further absorbing the additional overheads.

On behalf of the board



4 December 2015

J Kelly - Director

## **DIRECTORS' REPORT**

The directors present their report and financial statements' for the year ended 31 March 2015.

### **Principal activities and nature of operations**

The principal activity of the company continued to be that of manufacture of natural and vegetarian foods, and the development and sale of health related food products.

### **Results and dividends**

The results for the year are set out on page 8. The directors do not propose payment of a final dividend at the year-end (2014: £205,000 interim dividend paid).

### **Going concern**

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

### **Financial risk management objective and policies**

Risk management is a fundamental element of the company's business practice on all levels and is embedded into the business planning and controlling processes. Material risks, if there are any, are monitored and regularly discussed with the Board of Directors.

The company carries out an annual risk assessment, covering both financial and operational risks. A risk is defined as the possibility of an adverse event which has a negative impact on the achievement of the Group's objectives.

### **Liquidity risk**

The objective of the company in managing risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cashflows. In the event that the operating cash flows would not cover all the financial obligations the company has third party credit facilities available and inter company loan facility. Given the absence of long term loan in the individual company the company is in a position to meet its commitments and obligations as they come due.

### **Customer credit exposure**

The company may offer credit terms to its customers which allow payment of the debt after delivery of the goods. The company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships and by credit insurance.

### **Directors**

The following directors have held office since 1 April 2014:

A M Lord	(resigned 24 July 2014)
R P Shaw	
M L Gould	
J Kelly	(appointed 24 July 2014)

## **DIRECTORS' REPORT (CONTINUED)**

### **Director's indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

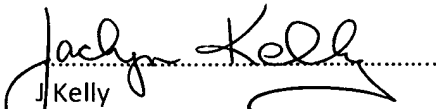
### **Charitable and political contributions**

There were charitable donations made during the year of £15,000 (2014: £nil) to Solar Aid.

### **Auditors**

Grant Thornton UK LLP were appointed as auditors on 25 February 2015 and have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors.

Approved by the Board and signed on its behalf by:

  
J Kelly  
Director

4 December 2015

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report and 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 the law the directors have elected to prepare the financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- as far as director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors are responsible for preparing the annual report in accordance with applicable law and regulations. The directors consider the annual report and the financial statements, taken as a whole, provides the information necessary to assess the company's performance, business model and strategy is fair, balanced and understandable.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

To the best of my knowledge:

- the company financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and;
- the annual report including the strategic report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.



4 December 2015

## **INDEPENDENT AUDITORS' REPORT to the members of Wholebake Limited**

We have audited the financial statements of Wholebake Limited for the year ended 31 March 2015 which comprise statement of financial position, statement of income and retained earnings and 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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 directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements' in accordance with applicable law and international standards on auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 March 2015 and of its profits for the year then ended:
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

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

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




**INDEPENDENT AUDITORS' REPORT (CONTINUED) to the members of Wholebake 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.

  
Audit Partner

4 December 2015

Carl Williams  
For and on behalf of

Grant Thornton Manchester LLP  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

WHOLEBAKE LIMITED  
STATEMENT OF INCOME AND RETAINED EARNINGS  
For the year ended 31 March 2015

	Notes	2015 £'000	2014 £'000
<b>Turnover</b>	<b>2</b>	<b>16,196</b>	11,498
Cost of sales		<u>(10,987)</u>	<u>(7,439)</u>
<b>Gross Profit</b>		<b>5,209</b>	4,059
Administrative expenses		<b>(4,010)</b>	(2,209)
Other operating income		<u>41</u>	<u>41</u>
<b>Operating profit</b>	<b>3</b>	<b>1,240</b>	1,891
Interest payable and similar charges	<b>4</b>	<u>(6)</u>	<u>(29)</u>
<b>Profit on ordinary activities before taxation</b>		<b>1,234</b>	1,862
Tax on profit on ordinary activities	<b>6</b>	<u>(244)</u>	<u>(404)</u>
<b>Profit for the year and total comprehensive income</b>	<b>17</b>	<u><b>990</b></u>	<u>1,458</u>
Dividends paid		-	(205)
Retained profits at 1 April		<u><b>2,563</b></u>	<u>1,310</u>
Retained profits at 31 March		<u><b>3,553</b></u>	<u>2,563</u>

The income statement 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 income statement.

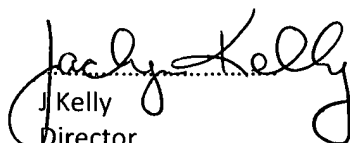
WHOLEBAKE LIMITED  
STATEMENT OF FINANCIAL POSITION  
As at 31 March 2015

Company Registration No: 03292581

	Notes	2015 £'000	2014 £'000
<b>Fixed assets</b>			
Intangible assets	8	6	32
Tangible assets	9	1,547	1,518
		<u>1,553</u>	<u>1,550</u>
<b>Current assets</b>			
Stocks	10	978	594
Debtors	11	4,248	3,285
Cash at bank and in hand		1,190	37
		<u>6,416</u>	<u>3,916</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(3,811)</u>	<u>(2,088)</u>
<b>Net current assets</b>		<u>2,605</u>	<u>1,828</u>
<b>Total assets less current liabilities</b>		<b>4,158</b>	<b>3,378</b>
<b>Creditors: amounts falling due after more than one year</b>	13	-	(190)
Provisions for liabilities	14	(137)	(117)
Deferred income	15	(192)	(232)
		<u>(329)</u>	<u>(539)</u>
<b>Net assets</b>		<u><b>3,829</b></u>	<u><b>2,839</b></u>
<b>Capital and reserves</b>			
Called up share capital	16	275	275
Other reserves	17	1	1
Profit and loss account	17	3,553	2,563
		<u>3,829</u>	<u>2,839</u>
<b>Shareholders' funds</b>		<u><b>3,829</b></u>	<u><b>2,839</b></u>

The financial statements were approved and authorised for issue by the Board of Directors on 4 December 2015.

Signed on behalf of the board of directors:

  
J Kelly  
Director

WHOLEBAKE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2015

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## **1 ACCOUNTING POLICIES**

### **1.1 Company information**

Wholebake Limited incorporated in the UK on 1996, is a limited company and its registered office is; Unit 41a Abenbury Way, Wrexham Industrial Estate, Wrexham, United Kingdom, LL13 9UZ.

### **1.2 Basis of preparation**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 23 for an explanation of the transition. The financial statements are presented in sterling (£). The individual accounts of Wholebake Limited have adopted the following disclosure exemptions: - the requirements to present a statement of cash flows and related notes.

### **1.3 Going concern**

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

### **1.4 Significant judgements and estimates**

Management have not made any significant judgements or estimates whilst preparing the financial statements.

### **1.5 Intangible assets**

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment loss.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight – line method. Website development costs have been impaired during the year as a new website is due to be launched in July 2015 therefore the amortisation rate has been changed to reflect the change in useful economic life.

### **1.6 Tangible assets**

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

#### **1.6 Tangible assets (Continued)**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed asset, other than freehold land, over their expected useful lives, using the straight – line method. The rates applicable are:

- Land and buildings leasehold	Over the remaining term of the lease
- Plant and machinery	10% straight line
- Fixtures, fittings and equipment	15% straight line

## **1 ACCOUNTING POLICIES (CONTINUED)**

### **1.7 Impairment of assets**

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

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

### **1.8 Investments**

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

### **1.9 Stocks and work in progress**

Stocks are stated at the lower of cost, using the first in first out method, and selling prices less costs to complete and sell.

### **1.10 Debtors**

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

### **1.11 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### **1.12 Leasing and hire purchase commitments**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and reward of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

## **1 ACCOUNTING POLICIES (CONTINUED)**

### **1.12 Leasing and hire purchase commitments (Continued)**

Rents payable under operating leases are charged to profit or loss on a straight – line basis over the lease term unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

### **1.13 Provisions for liabilities**

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

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

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

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

### **1.14 Taxation**

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

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- The group is able to control the reversal of the timing difference; and
- It is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

## **1 ACCOUNTING POLICIES (CONTINUED)**

### **1.14 Taxation (Continued)**

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

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- The group has a legally enforceable right to set off current tax assets against current tax liabilities, and
- The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

### **1.15 Turnover**

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

#### **Sale of goods**

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of goods.

### **1.16 Employee benefits**

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

### **1.17 Foreign currency translation**

In preparing the financial statements of the company, transactions in currencies other than the functional currency of the company are recognised as the spot rate at the dates of the transactions, or at an average rate where this rate approximates to the actual rate at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non – monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

WHOLEBAKE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2015

## 1 ACCOUNTING POLICIES (CONTINUED)

### 1.18 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets from the point that all recognition conditions have been met. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

### 1.19 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way, unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

## 2 TURNOVER

Turnover, analysed geographically between markets, was as follows:	2015 £'000	2014 £'000
United Kingdom	14,696	10,454
Europe	1,192	825
Rest of world	308	219
	<u>16,196</u>	<u>11,498</u>

## 3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after:	2015 £'000	2014 £'000
Auditors' remuneration;		
Audit fees	16	12
Other accounting & tax services	9	8
Foreign exchange (profits)/losses	(5)	(3)
Operating lease rentals;		
Plant and machinery	26	10
Other assets	98	65
Government grant amortisation	(40)	(40)
Research and development expense	75	69
	<u>75</u>	<u>69</u>

## 4 INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £'000	2014 £'000
On bank loans and overdrafts	-	7
On other loans wholly repayable within five years	6	22
	<u>6</u>	<u>29</u>



WHOLEBAKE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2015

**5 DIRECTORS AND EMPLOYEES**

**Staff costs during the year were as follows:**

	<b>2015</b>	2014
	<b>£'000</b>	£'000
Wages and salaries	<b>2,069</b>	1,413
Social security costs	<b>165</b>	121
Other pension costs	<b>1</b>	1
	<b><u>2,235</u></b>	<u>1,535</u>

The company operates a defined contribution pension scheme for the benefit of two employees. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the year amount to £738 (2014: 739).

**The average number of employees of the company during the year was:**

	<b>2015</b>	2014
	<b>No.</b>	No.
Production	<b>101</b>	60
Administration	<b>10</b>	7
	<b><u>111</u></b>	<u>67</u>

**Remuneration in respect of directors was as follows:**

	<b>2015</b>	2014
	<b>£'000</b>	£'000
Emoluments	<b><u>80</u></b>	<u>264</u>

The Directors' remuneration is shown for the period 1 April 2013 to 24 July 2014, after which date the directors transferred to Healthfull Holdings Group Limited, and their remuneration is disclosed in those accounts for the remainder of the year.

The Directors did not participate in a money purchase pension schemes during the year.

**The amounts set out above include remuneration in respect of the highest paid director as follows:**

	<b>2015</b>	2014
	<b>£'000</b>	£'000
Emoluments	<b><u>38</u></b>	<u>122</u>

WHOLEBAKE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2015

## 6 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax (credit)/charge is based on the profit for the year and represents:

	2015 £'000	2014 £'000
UK Corporation Tax	226	378
Adjustments in respect of previous periods	(2)	-
Total current tax	<u>224</u>	<u>378</u>
Deferred taxation: origination/reversal of timing difference	20	38
Deferred taxation: changes in rates	-	(12)
Tax on results of ordinary activities	<u>244</u>	<u>404</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom at 21% (2014: 23%). The differences are explained as follows:

Profit on ordinary activities before tax	<u>1,234</u>	<u>1,862</u>
Profit on ordinary activities multiplied by standard rate of	<u>259</u>	<u>428</u>
Expenses not deductible for tax purposes	1	1
Fixed asset differences	12	8
Prior year adjustment	(2)	-
Other tax adjustments reliefs and transfers	(25)	-
Deduction for R&D expenditure	-	(15)
Timing differences	20	38
Rate changes	-	(12)
Capital allowances in excess of depreciation	(21)	(44)
	<u>(15)</u>	<u>(24)</u>
Tax results on ordinary activities	<u>244</u>	<u>404</u>

During the year the UK corporation tax rate was decreased. Following Budget 2015 announcements, there will be a further reduction in the main rate of corporation tax to 20% from 1 April 2015.

## 7 DIVIDENDS

	2015 £'000	2014 £'000
Paid during the year	<u>-</u>	<u>205</u>

WHOLEBAKE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2015

**8 INTANGIBLE FIXED ASSETS**

	Trademarks	Other intangible assets	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 April 2014	85	36	121
<b>At 31 March 2015</b>	<b>85</b>	<b>36</b>	<b>121</b>
<b>Amortisation</b>			
At 1 April 2014	82	7	89
Charge for the year	2	24	26
<b>At 31 March 2015</b>	<b>84</b>	<b>31</b>	<b>115</b>
<b>Net book amount at 31 March 2015</b>	<b>1</b>	<b>5</b>	<b>6</b>
Net book amount at 31 March 2014	3	29	32

Amortisation of intangible fixed assets is included in administrative expenses. The company's website is due to be relaunched in July 2015 and therefore the related intangible asset has been amortised accordingly to reflect the useful economic life.

**9 TANGIBLE FIXED ASSETS**

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 April 2014	563	2,023	163	2,749
Additions	85	122	74	281
Disposals	-	(4)	(2)	(6)
<b>At 31 March 2015</b>	<b>648</b>	<b>2,141</b>	<b>235</b>	<b>3,024</b>
<b>Depreciation</b>				
At 1 April 2014	168	959	104	1,231
Charge for the year	86	149	17	252
On disposals	-	(4)	(2)	(6)
<b>At 31 March 2015</b>	<b>254</b>	<b>1,104</b>	<b>119</b>	<b>1,477</b>
<b>Net book amount</b>				
<b>At 31 March 2015</b>	<b>394</b>	<b>1,037</b>	<b>116</b>	<b>1,547</b>
At 31 March 2014	395	1,064	59	1,518

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**10 STOCKS**

	2015 £'000	2014 £'000
Raw materials and consumables	626	452
Work in progress	7	5
Finished goods	345	137
	<u>978</u>	<u>594</u>

Stock recognised in cost of sales during the year as an expense was £7,881,000 (2014: £5,770,000). A provision of £55,000 (2014: £nil) was recognised in cost of sales against stock during the year due to slow – moving stock.

**11 DEBTORS**

	2015 £'000	2014 £'000
Trade debtors	2,580	2,160
Amounts owed by group undertakings	1,454	958
Other debtors	-	90
Prepayments and accrued income	214	77
	<u>4,248</u>	<u>3,285</u>

An impairment loss of £nil (2014: £nil) was recognised against trade debtors.

Trade debtors are subject to an invoice discounting facility.

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £'000	2014 £'000
Bank loans, overdrafts and invoice discounting facility	-	234
Trade creditors	1,107	889
Amounts owed to group undertakings	1,513	-
Corporation tax	76	228
Other taxes and social security costs	373	353
Other creditors	-	5
Accruals and deferred income	742	379
	<u>3,811</u>	<u>2,088</u>

The company meets its day to day working capital requirements through the invoice discounting facility which is repayable on demand. The discounting facility is secured by way of a fixed and floating charge over the assets of the company and by a charge on the company's debtor book.

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**13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Bank Loans	-	190
<b>Bank loans are repayable as follows:</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Within one year	-	127
Between one to two year	-	127
Between two to five years	-	63
	-	317

The bank loans are secured by way of a fixed and floating charge over the assets of the company. On 24 July 2014 Wholebake (Topco) Limited, the ultimate parent company of Wholebake Limited, was acquired by Healthfull Holdings Group Limited. As part of the acquisition Healthfull Holdings Limited settled the long term bank loans held between Wholebake and Barclays Bank. The security on the bank loan was subsequently discharged.

**14 DEFERRED INCOME**

	<b>Government grants</b>
	<b>£'000</b>
At 1 April 2014	232
Amortisation in the year	(40)
At 31 March 2015	192

Deferred income relates to Welsh government grants issued in December 2005, released over 13 years, and July 2013 released over 7 years.

**15 DEFERRED TAX**

Deferred taxation provided for at 20% (2014: 20%) in the financial statements is set out below:

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
1 April 2014	117	91
Income Statement	20	26
At 31 March 2015	137	117

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**16 CALLED UP SHARE CAPITAL**

	2015 £'000	2014 £'000
<b>Allotted, called up and fully paid</b>		
27,518,090 Ordinary shares of 1p each	<u>275</u>	<u>275</u>

**17 RESERVES**

	Capital redemption reserve £'000	Profit and loss account £'000	Total reserves £'000
At 1 April 2014	1	2,563	2,564
Profit for the year	-	990	990
Dividends paid	-	-	-
<b>At 31 March 2015</b>	<u><b>1</b></u>	<u><b>3,553</b></u>	<u><b>3,554</b></u>

Called up share capital represents the nominal value of shares that have been issued. Profit and loss account includes all current and prior period retained profits.

**18 CAPITAL COMMITMENTS**

The company has capital commitments for £244,000 (2014: £nil) at the year end.

**19 LEASING COMMITMENTS**

The company's future minimum operating lease payments are as follows:

	2015 £'000	2014 £'000
Within one year	127	71
Between one and five years	459	261
Over five years	<u>27</u>	<u>90</u>

The amount of lease payments recognised as an expense in the year was £124,000 (2014: £75,000).

**20 TRANSACTIONS WITH RELATED PARTIES**

The immediate parent company is Wholebake (Topco) Limited a company registered in England and Wales. On 24 July 2014 Healthfull Holdings Group Limited, a company registered in England and Wales, acquired Wholebake (Topco) Limited. The ultimate controlling party is Bridges Ventures LLP.

The company has taken advantage of the exemption available under FRS 102 section 33 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

During the year the company paid consultancy fees amounting to £2,301 (2014: £24,653) to Tresimwn Limited, a company which A Lord is a director and shareholder. The directors consider these transactions to be at arm's length.

## **20 TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

One director received compensation for loss of office of £150,000 (2014: Nil) which was paid by Healthfull Holdings Group as part of the acquisition of the Wholebake group. During the year one director, J Kelly, had a loan of £10,000 from Healthfull Holdings Limited. The full amount was outstanding at 31 March 2015.

The key management of the company are considered to be the directors, the total directors remuneration for the period, including employers NI, was £88,000 of which the amount relating to the highest paid director is £42,000.

### **Guarantees**

On 17 September 2012 a personal guarantee in favour of Barclays Bank PLC was given by M L Gould and R P Shaw totalling £125,000. During the year the aforementioned persons were released from the guarantee.

At 31 March 2015 there is a cross guarantee and debenture between Healthcare Holdings Topco Limited, Healthcare Holdings Group Limited, Wholebake (Topco) Limited and Wholebake Limited on the Bank's standard form with supporting security on the Bank's standard forms.

## **21 FINANCIAL RISK MANAGEMENT**

The company has exposure to two main areas of risk – customer credit exposure;

### **Liquidity risk**

The objective of the company in managing risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cashflows. In the event that the operating cash flows would not cover all the financial obligations the company has third party credit facilities available and inter company loan facility. Given the absence of long term loan in the individual company the company is in a position to meet its commitments and obligations as they come due.

### **Customer credit exposure**

The company may offer credit terms to its customers which allow payment of the debt after delivery of the goods. The company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships and by credit insurance.

## **22 CONTINGENT LIABILITIES**

The company had an agreement in favour of Finance Wales Investments Limited dated 11 May 2011 whereby they guarantee a sum of up to £650,000 plus interest for the liabilities of Wholebake (Topco) Limited. During the year the loan was repaid as part of the company acquisition and re financing and there was no contingent liability at 31 March 2015 (2014: £279,562).

## **23 TRANSITION TO FRS 102**

The company has now adopted FRS 102 for the year ended 31 March 2015, there were no restatements required to the comparative prior year amounts.