

Company Number 03745395

**The Pampered Chef-UK, Ltd.**  
**Annual report**  
**for the year ended 31 December 2014**

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## **The Pampered Chef-UK, Ltd.**

### **Annual report for the year ended 31 December 2014**

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# **The Pampered Chef-UK, Ltd.**

## **Directors and advisers**

### **Directors**

Tracy Britt Cool  
Rich Hlava

### **Secretary**

Jeffrey Liebling

### **Registered office**

Unit 1 The Courtyard  
Eastern Road  
Bracknell  
Berkshire RG12 2XB

### **Bankers**

JP Morgan Chase N.A.  
1 Chaseside  
Bournemouth BH9 708  
England BH7 708

Bank of America  
26 Elmfield Road  
Bromley, Kent  
United Kingdom BR1 1WA

### **Solicitors**

Lawrence Graham  
4 More London Riverside  
London SE1 2AU

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
One Reading Central  
23 Forbury Road  
Reading  
Berkshire RG1 3JH

## **The Pampered Chef-UK, Ltd.**

### **Strategic report for the year ended 31 December 2014**

The directors present their strategic report on the company for the year ended 31 December 2014

#### **Principal activities**

The principal activity of the company is the direct selling of high quality kitchen tools and utensils through the home party plan.

#### **Going concern and future outlook**

On 10 September 2015 it was publicly announced that the company will cease trading on 31 December 2015. The directors intend to wind up the company in the first half of 2016. As the directors intend to wind up the company with a view to elimination, and in accordance with paragraph 21 of FRS 18 "Accounting Policies", the directors do not consider it appropriate to prepare the financial statements on a going concern basis. Consequently the directors have prepared the financial statements on a basis other than going concern. Adjustments have therefore been required in these financial statements to reclassify fixed assets as current assets (no adjustments were required to revalue fixed assets) and to provide for liabilities arising from the decision to cease trading. It has not been necessary to reclassify long term liabilities as current liabilities as all liabilities of the company were already considered current liabilities (see note 1 to the Financial Statements).

#### **Review of the business**

During the year, the turnover (the key performance indicator) of the company decreased by 13.9% from £10,478,425 to £9,019,294. Gross margin has increased to 66.3% (2013: 65.8%), due to increase in value of British Pound to U.S. Dollars.

#### **Financial performance and position of the business**

The Company's loss for the financial year was £542,946 (2013, profit: £211,245). The Company's total assets at 31 December 2014 were £3,569,534 (2013: £4,090,818). The Company's net current liabilities at 31 December 2014 were £3,611,934 (2013: £3,439,735).

#### **Key performance indicators**

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

However, locally progress is primarily monitored via growth in Sales compared to the prior year. Performance is shown below with prior year comparatives expressed as %.

	2014	2013
Decline in Sales	-13.9%	-12.8%

The decline in sales is due to a smaller field and continued pressures in the market. As a result of the continuing fall in sales, the directors have taken the decision to wind up the company and trading will cease on 31 December 2015.

## **The Pampered Chef-UK, Ltd.**

### **Strategic report for the year ended 31 December 2014 (continued)**

#### **Principal risks and uncertainties**

The directors have assessed the principal risks and uncertainties facing the business. They are considered to be normal commercial and operating risks associated with a retail business being local economic factors and fashionable trends that will determine the spending power of potential customers

**On behalf of the board**



**Tracy Britt Cool**  
**Director**  
Date 17 December 2015

## **The Pampered Chef-UK, Ltd.**

### **Directors' report for the year ended 31 December 2014**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2014

#### **Future Developments**

Refer to comments under Going concern and future outlook section within the Strategic Report

#### **Post Balance Sheet Events**

Subsequent to the year end, the board appointed Rich Hlava as director of The Pampered Chef-UK, Ltd. In addition, Doris K. Christopher and James Bresingham were removed as directors

Following the continued decline in sales, the directors have decided to wind up the company. On 10 September 2015 it was publicly announced that the company will cease trading on 31 December 2015. The directors intend to wind up the company in the first half of 2016.

#### **Financial Risk Management**

The company's operations expose it to a variety of financial risks that include the effects of foreign exchange risks, credit risk and liquidity and cashflow risks. Risk management is carried out by the directors of the immediate parent company, which provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

##### *Foreign exchange risk*

Foreign exchange risk is monitored at a group level. No hedging is undertaken by the UK Company.

##### *Credit risk*

The company has no significant concentrations of credit risk.

##### *Liquidity and cashflow*

Funding requirements for operations are managed on a group basis and are provided to the Company by an intermediate holding company, the Pampered Chef, Ltd.

#### **Dividends**

No dividends were paid during the year (2013: £nil) and the directors do not recommend the payment of a final dividend (2013: £nil).

#### **Directors**

The directors of the company, who served during the year ended 31 December 2014 and up to the date of approval of these financial statements, unless otherwise stated, are listed below:

Tracy Britt Cool (appointed 1 November 2014)

Doris K. Christopher (removed by resolution 1 November 2014)

Rich Hlava (appointed 23 April 2015)

James Bresingham (resigned 22 April 2015)

## **The Pampered Chef-UK, Ltd.**

### **Directors' report for the year ended 31 December 2014 (continued)**

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the strategic report, the director's 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 prepared 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 year 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have therefore been presented on a basis other than going concern

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

#### **Disclosure of information to auditors**

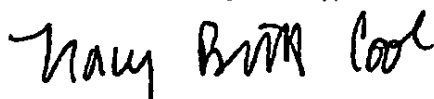
The directors at the date of approval of this report confirm that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

#### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting



On behalf of the board

Tracy Britt Cool

Director

Date: 17 December 2015

# **The Pampered Chef-UK, Ltd.**

## ***Independent auditors' report to the members of The Pampered Chef-UK, Ltd.***

### **Report on the financial statements**

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#### **Our opinion**

In our opinion, The Pampered Chef-UK, Ltd 's financial statements (the "financial statements")

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss 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
- 

#### **Emphasis of matter - Basis of preparation**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of preparation. Following the year end the Directors have decided that the company will cease trading as of 31 December 2015 and it is the intention of the Directors to wind up the company shortly thereafter. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. Adjustments have been made in these financial statements to provide for liabilities arising from the decision and to reclassify fixed assets as current assets (although no adjustments were required to revalue fixed assets). No adjustments were necessary to reclassify long term liabilities as current liabilities.

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#### **What we have audited**

The financial statements, included within the Annual Report, comprise

- the Balance Sheet as at 31 December 2014;
- the Profit and loss account for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events

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

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

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### **Other matters on which we are required to report by exception**

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#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit, or
- 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 Pampered Chef-UK, Ltd.

- the financial statements are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility.

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### Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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## Responsibilities for the financial statements and the audit

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### Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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### What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed,
- the reasonableness of significant accounting estimates made by the directors, and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Stephen Pascoe (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading  
18 December 2015

## The Pampered Chef-UK, Ltd.

### Profit and loss account for the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	2	9,019,294	10,478,425
Cost of sales		(3,040,743)	(3,588,091)
Gross profit		5,978,551	6,890,334
Distribution costs		(3,221,565)	(3,713,369)
Other administrative expenses		(2,766,816)	(2,937,171)
(Loss)/profit on foreign currency		(194,627)	41,474
Exceptional closure costs	3	(331,392)	-
Total administrative expenses		(3,292,835)	(2,895,697)
Operating (loss)/profit and (loss)/profit on ordinary activities before taxation	3	(535,849)	281,268
Tax on (loss)/profit on ordinary activities	6	(7,097)	(70,023)
(Loss)/profit for the financial year	13	(542,946)	211,245

The results for the years above relate to discontinued operations

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial years stated above and their historical cost equivalents

## The Pampered Chef-UK, Ltd.

### Balance sheet as at 31 December 2014

	Notes	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	7	-	39,355
<b>Current assets</b>			
Tangible assets	7	25,560	-
Debtors	8	2,547,654	2,570,089
Cash at bank and in hand		896,320	1,481,374
		<b>3,569,534</b>	<b>4,051,463</b>
Creditors – amounts falling due within one year	10	(7,161,468)	(7,491,188)
<b>Net current liabilities</b>		<b>(3,611,934)</b>	<b>(3,439,735)</b>
<b>Total assets less current liabilities</b>		<b>(3,611,934)</b>	<b>(3,400,380)</b>
<b>Provisions for liabilities</b>	11	<b>(331,392)</b>	-
<b>Net liabilities</b>		<b>(3,943,326)</b>	<b>(3,400,380)</b>
<b>Capital and reserves</b>			
Called-up share capital	12	125,469	125,469
Share premium account	13	62,031	62,031
Profit and loss account (deficit)	13	(4,130,826)	(3,587,880)
<b>Total shareholders' deficit</b>	14	<b>(3,943,326)</b>	<b>(3,400,380)</b>

The financial statements on pages 8 to 19 were approved by the board of directors on 17 December 2015 and were signed on its behalf by

*Tracy Britt Cool*

Tracy Britt Cool  
Director

Company Number: 03745385

## **The Pampered Chef-UK, Ltd.**

### **Notes to the financial statements for the year ended 31 December 2014**

#### **1 Accounting policies**

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

These financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards

On 10 September 2015 it was publicly announced that the company will cease trading on 31 December 2015. The directors intend to wind up the company in the first half of 2016. In accordance with paragraph 21 of FRS 18 "Accounting Policies", the directors do not consider it appropriate to prepare the financial statements on a going concern basis. Consequently the directors have prepared the current year financial information within the financial statements on a basis other than going concern. The comparative financial information (ie 2013) continues to be prepared on a going concern basis.

Adjustments to the current year information have therefore been required in these financial statements to reclassify fixed assets as current assets (no adjustments were required to revalue fixed assets) and to provide for liabilities arising from the decision to cease trading. It has not been necessary to reclassify long term liabilities as current liabilities as all liabilities of the company were already considered current liabilities.

The principal accounting policies, which have been consistently applied, are set out below

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The estimated economic lives used are

Computer equipment	3-5 years
Computer software	3-5 years
Office furniture	3-5 years
Leasehold improvements	3 years

Following the decision to prepare the financial statements on a basis other than going concern, tangible fixed assets have been reclassified as current assets and valued at their estimated recoverable amount.

##### **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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted.

## **The Pampered Chef-UK, Ltd.**

### **Notes to the financial statements for the year ended 31 December 2014 (continued)**

#### **1 Accounting policies (continued)**

or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

##### **Turnover**

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. The company records revenue on receipt of goods by the host. Deferred revenue in the accompanying balance sheets represents payments received from purchasers in advance of delivery by the company.

##### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Revenue and expenditure items are translated at the average rate of exchange ruling in the months in which the transaction took place. All exchange differences are taken through the profit and loss account.

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

The company is a wholly owned subsidiary of Berkshire Hathaway, Inc. and is included in the consolidated financial statements of Berkshire Hathaway, Inc. which are publicly available. Consequently, the company has taken advantage of the exemptions under FRS 1 (revised 1996), "Cash Flow statements", not to include a cash flow statement. Accordingly a cash flow statement is not included within these financial statements.

##### **Operating leases**

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term. Incentives to enter leases, including discounted rents, are spread over the period to the first break clause or rent review.

##### **Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard No 8 from disclosing transactions with entities of the Berkshire Hathaway, Inc. group on the basis that it is a wholly owned subsidiary of the group.

##### **Pensions**

The company operates a defined contribution pension scheme.

The assets of the defined contribution scheme are held separately from the assets of the company. The pension cost charge disclosed in note 14 represents contributions payable by the company to the fund and is charged to the profit and loss account in the period to which it relates.

##### **Provisions for liabilities arising from the decision to close the company**

Provision is made in these accounts for costs to close the company, being costs which otherwise would not have been incurred if the decision to cease trading had not been taken, as well as providing for obligations which will still arise after the cessation of trading on 31 December 2015.

## **The Pampered Chef-UK, Ltd.**

### **Notes to the financial statements for the year ended 31 December 2014 (continued)**

#### **2 Turnover**

All of the company's turnover arises within the United Kingdom, and relates to the direct selling of high quality kitchen tools and utensils which the directors considers to be a single class of business

#### **3 Operating (loss)/profit**

	2014 £	2013 £
<b>Operating (loss)/profit is stated after charging:</b>		
Depreciation of tangible fixed assets (owned)	13,795	15,026
Other operating lease rentals	133,636	139,182
Services provided by the Company's auditors		
- fees payable for the audit	57,720	45,000
- fees payable for other services	17,088	4,500
Loss/(Gain) on foreign currency translations	194,627	(41,474)
Costs relating to the decision to close the business (exceptional items - see below)	331,392	-

The company purchases all goods sold from its parent company the Pampered Chef Ltd, the ultimate price of which is based on transfer pricing arrangements. These transfer pricing arrangements target an agreed operating margin range, for the Company.

##### **Exceptional items**

On 10 September 2015 it was publicly announced that the company would cease trading on 31 December 2015.

The exceptional charge to administrative expenses represents the additional costs to close the business as follows:

	2014 £	2013 £
Severance pay and other staff related costs	110,153	-
Professional fees	87,630	-
Other	133,609	-
<b>Total exceptional costs</b>	<b>331,392</b>	<b>-</b>

#### **4 Directors' emoluments**

None of the directors received any remuneration for the services they provided to the company during the year (2013: £nil).

Directors are remunerated by the parent company for their services to the group as a whole and no recharge is made.

## The Pampered Chef-UK, Ltd.

### Notes to the financial statements for the year ended 31 December 2014 (continued)

#### 5 Employee information

Particulars of employees are as shown below

	2014 £	2013 £
Wages and salaries	953,373	1,006,580
Social security costs	108,415	109,099
Other pension costs (note 14)	23,267	33,354
<b>Staff costs</b>	<b>1,085,055</b>	<b>1,149,013</b>

The average monthly number of persons employed by the company during the year was

By activity	2014	2013
Selling	7	13
Administration	11	12
	<b>18</b>	<b>25</b>

#### 6 Tax on (loss)/profit on ordinary activities

	2014 £	2013 £
<b>Current tax</b>		
UK corporation tax on (loss)/profit of the year	-	4,786
<b>Total current tax charge</b>	<b>-</b>	<b>4,786</b>
<b>Deferred tax</b>		
Other	7,097	65,227
Changes in tax rates or laws	-	-
<b>Total deferred tax charge</b>	<b>7,097</b>	<b>65,227</b>
<b>Tax charge on (loss)/profit on ordinary activities</b>	<b>7,097</b>	<b>70,023</b>

## The Pampered Chef-UK, Ltd.

### Notes to the financial statements for the year ended 31 December 2014 (continued)

#### 6 Tax on (loss)/profit on ordinary activities (continued)

The tax assessed for the year is lower (2013: lower) than the standard rate of corporation tax in the UK applicable to the company of 21.5% (2013: 23.25%). The differences are explained below:

	2014 £	2013 £
(Loss)/Profit on ordinary activities before tax	(535,849)	281,268
(Loss)/Profit on ordinary activities before tax multiplied by the standard rate in the UK 21.5% (2013: 23.25%)	(115,208)	65,395
Effects of:		
Accelerated capital allowances and other timing differences	(1,237)	965
Expenses not deductible for tax purposes	1,319	1,046
Utilisation of losses	-	(62,610)
Unrecognised tax losses	110,453	-
Carry back of current year tax loss	4,673	-
Current tax charge for the year	-	4,796

#### Factors that may affect future tax charges

As Finance Act 2013 had been substantively enacted at the balance sheet date, these financial statements account for the changes in tax rate from 23% to 21% with effect from 1 April 2014, and the further reduction in the tax rate to 20% with effect from 1 April 2015. The deferred tax balances continue to be measured at a rate of 20%.

In the Finance Act of July 2015, a reduction in the rate of corporation tax from 20% to 19% from 1 April 2017, and to 18% from 1 April 2020, was announced but has not been substantively enacted.



## The Pampered Chef-UK, Ltd.

### Notes to the financial statements for the year ended 31 December 2014 (continued)

#### 7 Tangible assets

	Computer equipment £	Computer software £	Office furniture £	Leasehold improvements £	Total £
<b>Cost</b>					
At 1 January 2014	32,205	15,000	68,500	45,053	160,758
<b>At 31 December 2014</b>	<b>32,205</b>	<b>15,000</b>	<b>68,500</b>	<b>45,053</b>	<b>160,758</b>
<b>Accumulated Depreciation</b>					
At 1 January 2014	(23,962)	(3,750)	(48,638)	(45,053)	(121,403)
Charge for the year	(3,358)	(3,000)	(7,437)	-	(13,795)
<b>At 31 December 2014</b>	<b>(27,320)</b>	<b>(6,750)</b>	<b>(56,075)</b>	<b>(45,053)</b>	<b>(135,198)</b>
<b>Net Book Value</b>					
<b>At 31 December 2014</b>	<b>4,885</b>	<b>8,250</b>	<b>12,425</b>	<b>-</b>	<b>25,560</b>
At 31 December 2013	8,243	11,250	19,862	-	39,355

Following the decision to cease trading on 31 December 2015, tangible fixed assets have been reclassified to current assets

#### 8 Debtors

	2014 £	2013 £
Trade debtors	7,160	9,839
Amounts owed by group undertakings	2,431,468	2,494,766
Deferred tax (note 9)	-	58,387
Prepayments and accrued income	109,026	7,097
	<b>2,547,654</b>	<b>2,570,089</b>

Amounts owed by group undertakings are unsecured, interest free, and have no fixed date of repayment and are repayable on demand

## The Pampered Chef-UK, Ltd.

### Notes to the financial statements for the year ended 31 December 2014 (continued)

#### 9 Deferred taxation

Recognised deferred tax asset	2014 £	2013 £
Accelerated capital allowances	-	24
Short term timing differences	-	5,738
Pension provision	-	1,335
<b>Total deferred tax asset</b>	<b>-</b>	<b>7,097</b>

#### Analysis of movement in provision

	£
At 1 January 2014	7,097
Profit and loss account	(7,097)
<b>At 31 December 2014</b>	<b>-</b>

Given that the company will cease trading on 31 December 2015, there will not be suitable future taxable profits available against which the timing differences and carried forward tax losses can be utilised. Hence no deferred tax asset is recognised at the 2014 year end.

#### 10 Creditors – amounts falling due within one year

	2014 £	2013 £
Trade creditors	198,798	92,031
Amounts owed to group undertakings	6,436,393	6,582,776
Other taxation and social security	239,532	380,796
Accruals and deferred income	306,745	435,595
	<b>7,181,468</b>	<b>7,491,198</b>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

## The Pampered Chef-UK, Ltd.

### Notes to the financial statements for the year ended 31 December 2014 (continued)

#### 11 Provisions for liabilities

	2014 £	2013 £
At 1 January 2014	-	-
Charged to the Profit and loss account	331,392	-
At 31 December 2014	331,392	-

On 10 September 2015 it was publicly announced that the company would cease trading on 31 December 2015. A provision of £331,392 has been raised in respect of the related costs (severance pay and professional fees) which will be incurred in the coming months.

#### 12 Called-up share capital

	2014 £	2013 £
<b>Authorised</b>		
500,000 (2013: 500,000) ordinary shares of £1 each	500,000	500,000
<b>Allotted and fully paid</b>		
125,469 (2013: 125,469) ordinary shares of £1 each	125,469	125,469

#### 13 Reserves

	Share premium account £	Profit and loss account (deficit) £
At 1 January 2014	62,031	(3,587,880)
Loss for the financial year	-	(542,946)
At 31 December 2014	62,031	(4,130,826)

## The Pampered Chef-UK, Ltd.

### Notes to the financial statements for the year ended 31 December 2014 (continued)

#### 14 Reconciliation of movements in shareholders' deficit

	2014 £	2013 £
(Loss)/Profit for the financial year	(542,946)	211,245
Opening equity shareholders' deficit	(3,400,380)	(3,611,625)
Closing equity shareholders' deficit	(3,943,326)	(3,400,380)

#### 15 Pensions

The company makes payments into a defined contribution scheme. The pension cost in respect of the defined contribution scheme was £23,267 (2013: £33,354). At 31 December 2014 contributions totalling £1,862 (2013: £15) were outstanding in respect of the defined contribution scheme.

#### 16 Financial commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases expiring as follows:

	2014 Land and Buildings £	2014 Other £	2013 Land and Buildings £	2013 Other £
Within one year	31,040	4,493	-	6,893
Within two to five years	38,502	-	74,497	-
	69,542	4,493	74,497	6,893

## **The Pampered Chef-UK, Ltd.**

### **Notes to the financial statements for the year ended 31 December 2014 (continued)**

#### **17 Ultimate parent undertaking**

The immediate parent undertaking is TPC-European Holdings, Ltd, a company incorporated in the USA. The ultimate parent undertaking and controlling party is Berkshire Hathaway, Inc, a company incorporated in the USA.

The smallest and largest group for which consolidated financial statements are prepared and which include the results of the company are TPC-European Holdings Ltd and Berkshire Hathaway, Inc respectively.

Copies of the consolidated financial statements of TPC-European Holdings, Ltd can be obtained from the Company Secretary at TPC-European Holdings, Ltd, c/o Mr Jeffrey Liebling, One Pampered Chef Lane, Addison, IL 60101-5630, USA.

Copies of the consolidated financial statements of Berkshire Hathaway, Inc can be obtained from that company's website, [www.berkshirehathaway.com](http://www.berkshirehathaway.com)

#### **18 Post Balance Sheet Events**

Subsequent to the year end, the board appointed Rich Hlava as director of The Pampered Chef-UK, Ltd. In addition, Doris K. Christopher and James Bresingham were removed as directors.

Following the continued decline in sales, the directors have decided to wind up the company. On 10 September 2015 it was publicly announced that the company will cease trading on 31 December 2015. The directors intend to wind up the company in the first half of 2016.