

3663 Alba Limited

**Directors' report and financial
statements**

Registered number 03865992

Year ended 30 June 2015

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Directors and company information

Directors

Executive:

S D Bender
A Selley

Secretary
T Hamandi

Registered Office

Buckingham Court
Kingsmead Business Park
London Road
High Wycombe
Buckinghamshire
HP11 1JU

Auditor

KPMG LLP
1 St Peter's Square
Manchester
M2 3AE

Bankers

HSBC Bank plc
8 Canada Square
London
E14 5XL

Directors' report

The directors present their directors' report and audited financial statements for the year ended 30 June 2015.

Strategic report

The Company has met the requirements in the Companies Act 2006 to obtain the exemption provided, on the grounds of its size, from the presentation of a strategic report.

Principal activities

The principal activity of the Company is that of the sale and distribution of food and non-food products to the catering trade.

The company's commercial risks include exposure to external factors (for example severe weather conditions, one off seasonal events) which may lead to a reduction in the demand for our products, and large scale business change which could impact on business as usual operations. The business change risk incorporates areas such as change in use of infrastructure, customer mix, and new system implementations.

The company aims to mitigate these risks as far as possible by focusing on sectors which provide trading resilience, delivering a good service to its customers at competitive pricing and placing significant focus on minimising disruption.

Key performances indicators used to monitor the business include: turnover, gross margin percentage, operating profit, funds employed, health and safety compliance and employee retention levels. All financial key performance indicators are monitored compared to budget and the previous year.

Results and dividends

The results for the year are set out on page 7.

The directors do not recommend the payment of a dividend (2014: £Nil).

Directors

The directors who held office during the year were as follows:

S D Bender	
I S Uren	(resigned 31 October 2014)
A Selley	(appointed 31 October 2014)

Employment of disabled persons

It is the policy of the Company to give full and fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. Wherever possible, arrangements are made for the continued employment of persons who have become disabled during service and for appropriate training, career development and promotion of disabled persons.

Information to employees

Appropriate action has been taken to develop arrangements aimed at providing Company employees with information on matters of concern to them, consulting with employees or their representatives, encouraging their involvement in the Company's performance, and achieving an awareness on the part of employees of the financial and economic factors affecting the Company's performance.

Directors' report *(continued)*

Political and charitable contributions

The Company made no political donations during the year (2014: £Nil). Donations to UK charities amounted to £540 (2014: £1,240).

Disclosure of information to auditor

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

Auditor

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

By order of the board



A Selley
Company Director

15/12/15

Buckingham Court
Kingsmead Business Park
London Road
High Wycombe
Buckinghamshire
HP11 1JU

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

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of 3663 Alba Limited

We have audited the financial statements of 3663 Alba Limited for the year ended 30 June 2015 set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

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 30 June 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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

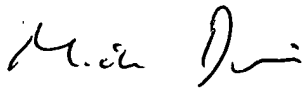
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of 3663 Alba Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Mick Davies (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE
United Kingdom

17/12/2015

Profit and loss account
for the year ended 30 June 2015

	<i>Note</i>	2015 £000	2014 £000
Turnover		7,409	7,621
Cost of sales		(5,467)	(5,634)
Gross profit		1,942	1,987
Selling & distribution expenses		(1,731)	(1,720)
Administrative expenses		(387)	(374)
Operating loss		(176)	(107)
Loss on ordinary activities before taxation	2	(176)	(107)
Tax on loss on ordinary activities	5	34	20
Loss for the financial year	15	(142)	(87)

All revenues and operating profits are derived from continuing operations.

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

The notes on pages 10 - 17 form part of these financial statements.

Statement of total recognised gains and losses
for year ended 30 June 2015

	Share capital £000	Retained earnings £000	Total £000
Balance at 30 June 2013	-	(470)	(470)
Total comprehensive expense for the period			
Loss after taxation	-	(87)	(87)
Other comprehensive expense	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the period	-	(87)	(87)
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2014	-	(557)	(557)
	<hr/>	<hr/>	<hr/>
Balance at 1 July 2014	-	(557)	(557)
Total comprehensive expense for the period			
Loss after taxation	-	(142)	(142)
Other comprehensive expense	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the period	-	(142)	(142)
	<hr/>	<hr/>	<hr/>
Transactions with owners, recorded directly in equity	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2015	-	(699)	(699)
	<hr/>	<hr/>	<hr/>

The notes on pages 10 – 17 form part of these financial statements.

Balance Sheet
at 30 June 2015

	<i>Note</i>	2015 £000	2015 £000	2014 £000	2014 £000
Fixed assets					
Intangible assets	6		527		791
Tangible assets	7		981		901
			<u>1,508</u>		<u>1,692</u>
Current assets					
Stocks	8	648		626	
Debtors	9	865		909	
Cash at bank and in hand		464		395	
		<u>1,977</u>		<u>1,930</u>	
Creditors: amounts falling due within one year	10	<u>(4,180)</u>		<u>(4,179)</u>	
Net current liabilities			<u>(2,203)</u>		<u>(2,249)</u>
Total assets less current liabilities			<u>(695)</u>		<u>(557)</u>
Provisions for liabilities	11		<u>(4)</u>		<u>-</u>
Net liabilities			<u><u>(699)</u></u>		<u><u>(557)</u></u>
Capital and reserves					
Called up share capital	13		-		-
Profit and loss account	14		<u>(699)</u>		<u>(557)</u>
Shareholders' deficit	15		<u><u>(699)</u></u>		<u><u>(557)</u></u>

The notes on pages 10 - 17 form part of these financial statements.

These financial statements were approved by the board of directors on 15/12/15 and were signed on its behalf by:


A Selley
Company Director
Company registered number: 3865992

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

Basis of preparation

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

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

Going concern

The financial statements have been prepared on the going concern basis. The company has made a gross profit and as a result of trading is cash positive. The directors are confident that the results for the year to 30 June 2016 will also be cash generative. BFS Group Limited has agreed to provide financial support for at least 12 months from the approval date of the financial statements to allow all liabilities to be paid as incurred. Furthermore, BFS Group Limited has confirmed that they will not seek repayment of the loan balance due to them ahead of all other creditors, and until 3663 Alba Limited have sufficient funds to do so. Given the foregoing, the directors consider the going concern basis to be appropriate.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

Goodwill and negative goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold land and buildings	50 years
Plant and machinery	5-10 years
Fixtures, fittings and equipment	3-5 years
Motor vehicles	3-5 years

Notes (continued)

1 Accounting policies (continued)

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods purchased for resale, the weighted average purchase price is used. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

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.

Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Notes to the profit and loss account

	2015 £000	2014 £000
<i>Loss on ordinary activities before taxation is stated after charging/(crediting)</i>		
Amortisation of intangible assets	264	263
Depreciation of tangible assets	44	40
Profit on disposal of tangible assets	-	(9)
Operating lease rentals - other	49	79
	<hr/>	<hr/>
<i>Auditor's remuneration:</i>		
Audit of these financial statements	12	12
Other non-audit services	1	1
	<hr/>	<hr/>

3 Directors Remuneration

The directors did not receive any remuneration during the year, or the preceding year.

Notes (continued)

4 Employees

Number of employees

The average monthly number of employees during the year was:

	2015 Number	2014 Number
Clerical & Sales	19	18
Transport	10	11
Warehouse	18	19
	<u>47</u>	<u>48</u>

Employment costs

	2015 £000	2014 £000
Wages and salaries	881	858
Social security costs	69	73
Other pension costs (Note 12)	5	2
	<u>955</u>	<u>933</u>

5 Taxation

a) Recognised in the statement of total recognised gains and losses

	2015 £000	2015 £000	2014 £000	2014 £000
<i>UK corporation tax</i>				
Current year	(33)		(16)	
Adjustment for prior years	(5)		(4)	
	<u></u>		<u></u>	
<i>Total current tax</i>		(38)		(20)
<i>Deferred tax</i>				
Deferred tax charge/ (credit) current year	6		-	
Adjustment for prior years	(2)			
	<u></u>		<u></u>	
<i>Total deferred tax</i>		4		-
		<u></u>		<u></u>
Total tax in the statement of total recognised gains and losses		(34)		(20)

Notes (continued)

5 Taxation (continued)

b) Reconciliation of effective tax rate

	2015 £000	2014 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(176)	(107)
Loss on ordinary activities before taxation multiplied by standard rate of UK Corporation tax of 20.75% (2014: 22.5%)	(37)	(24)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	3	9
Capital allowances in excess of depreciation	7	(1)
Adjustment in respect of prior years	(7)	(4)
Total current tax charge (see above)	(34)	(20)

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 30 June 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

6 Intangible fixed assets

	Goodwill £000
<i>Cost</i>	
At beginning of year	1,318
On acquisition of business	-
At end of year	1,318
<i>Amortisation</i>	
At beginning of year	527
Charged in year	264
At end of year	791
<i>Net book value</i>	
At 30 June 2015	527
At 30 June 2014	791

Notes (continued)

7 Tangible fixed assets

	Freehold land and buildings £000	Plant and machinery £000	Fixtures, fittings and equipment £000	Motor vehicles £000	Total £000
Cost					
At beginning of year	858	90	21	9	978
Additions	-	5	-	99	104
Inter group transfers	-	30	-	151	181
Disposals	-	-	-	-	-
At end of year	858	125	21	259	1,263
Depreciation					
At beginning of year	33	21	18	5	77
Charge for the year	18	15	1	10	44
Inter group transfers	-	10	-	151	161
Disposals	-	-	-	-	-
At end of year	51	46	19	166	282
Net book value					
At 30 June 2014	825	69	3	4	901
At 30 June 2015	807	79	2	93	981

8 Stocks

	2015 £000	2014 £000
Finished goods and goods for resale	648	626

9 Debtors

	2015 £000	2014 £000
Trade debtors	818	898
Amounts owed by parent and fellow subsidiary undertakings	47	11
	865	909

Notes (continued)

10 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	848	922
Amounts owed to parent and fellow subsidiary undertakings	3,207	3,203
Taxation and social security	49	34
Accruals and deferred income	76	20
	<u>4,180</u>	<u>4,179</u>

The amount due to the parent and fellow subsidiary undertakings detailed above is repayable on demand, with no formal repayment terms in place. Notwithstanding the fact, BFS Group Limited, which is a fellow wholly owned subsidiary of Bidvest (UK) Limited, has undertaken not to seek repayment of this loan balance for at least one year from the approval date of these financial statements.

11 Provisions for liabilities

	Deferred taxation £000
At beginning of year	-
Profit and loss account	4
	<u>4</u>
At end of year	<u>4</u>

The deferred tax liability is attributable to the following:

	2015 £000	2014 £000
Property plant and equipment	4	-
Short term timing differences	-	-
	<u>4</u>	<u>-</u>
Net deferred tax liability	<u>4</u>	<u>-</u>

12 Pension and other post-retirement benefit commitments

Defined contribution

Contributions outstanding at the year end were £1,000 (2014: £Nil).

	2015 £000	2014 £000
Contributions payable by the company for the year	<u>5</u>	<u>2</u>

Notes (continued)

13 Called up share capital

	2015 £	2014 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

14 Reserves

	Profit and loss account £000
Balance at 1 July 2014	(557)
Loss for the year	(142)
	<u>(699)</u>
Balance at 30 June 2015	<u>(699)</u>

15 Reconciliation of movements in shareholders' deficit

	2015 £000	2014 £000
Opening shareholders' deficit	(557)	(470)
Loss for the financial year	(142)	(87)
	<u>(699)</u>	<u>(557)</u>
Closing shareholders' deficit	<u>(699)</u>	<u>(557)</u>

16 Financial commitments

Non-cancellable operating lease rentals are payable as follows:

	2015 Land & buildings £000	2014 Land & buildings £000
Less than one year	8	57
Between one and five years	-	1
More than five years	-	-
	<u>8</u>	<u>58</u>

Notes (continued)

17 Related Parties

Name of entity	Related party relationship
Bidvest (UK) Limited	Immediate parent company
BFS Group Limited	Fellow wholly owned subsidiary company of Bidvest (UK) Limited

Summary of related party transactions:

	2015 £000	2014 £000
Purchases from BFS Group Limited	2,237	441
Sales to BFS Group Limited	(18)	(1)
Value of property plant & equipment transferred (to)/from BFS Group Limited	20	-

Summary of related party balances:

	2015 £000	2014 £000
Group relief due from BFS Group Limited	47	11
Amounts due to BFS Group Limited	(3,207)	(3,203)

18 Ultimate parent company

The company is 100% owned by Bidvest (UK) Limited. The ultimate holding company of Bidvest (UK) Limited is The Bidvest Group Limited, a company incorporated in South Africa. The largest group in which the results of the company are consolidated is that headed by that company.

Copies of the financial statements of The Bidvest Group Limited are available upon application to the Company Secretary at the following address: PO Box 87274, Houghton 2041, Johannesburg, South Africa.

19 Post balance sheet events

No subsequent events have been identified that require disclosure in the financial statements.