

**REGISTERED NUMBER: 06541251 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013  
FOR  
DAVID WOOD BAKING LIMITED**

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FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013**

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**DAVID WOOD BAKING LIMITED**  
**COMPANY INFORMATION**  
**FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013**

**DIRECTORS:** David Anthony Wood  
Mrs Karen Wood

**SECRETARY:** Mrs Karen Wood

**REGISTERED OFFICE:** 1 Calverley Road  
Oulton  
Leeds  
West Yorkshire  
LS26 8JD

**REGISTERED NUMBER:** 06541251 (England and Wales)

**AUDITORS:** WHS Accountants Limited  
Chartered Accountants  
Elmville House  
305 Roundhay Road  
Leeds  
West Yorkshire  
LS8 4HT

**DAVID WOOD BAKING LIMITED (REGISTERED NUMBER: 06541251)**

**REPORT OF THE DIRECTORS  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013**

The directors present their report with the financial statements of the company for the period 1 April 2012 to 30 March 2013.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of baking private label products.

**REVIEW OF BUSINESS**

The company has continued to trade profitably during the year and is currently seeking further customers to broaden its customer base.

The company manufactures savoury pies, pasties, slices and turnovers.

The company became a wholly owned subsidiary of David Wood Baking UK Limited on 28th March 2013.

At close of business on 30th March 2013 the company acquired the trade, assets and liabilities of Peter Hunts Bakery Limited (a fellow wholly owned subsidiary of David Wood Baking UK Limited) and of David Wood Baking UK Limited. The acquisition of the assets and the transfer of the associated liabilities resulted in the company being indebted to Peter Hunts Bakery Limited and David Wood Baking UK Limited for £3,941,512.

The impact of above acquisitions is that with effect from 31st March 2013 the following products have been added to the company's manufacturing capabilities: frozen pies and ready meals, speciality breads together with sweet pies, crumbles and pastries, confectionery, cookies, biscuits, muffins, cakes and sandwiches.

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

**DIVIDENDS**

Interim dividends amounting to 3.63408p per share were paid during the year. The director recommends that no final dividend be paid.

The total distribution of dividends for the period ended 30th March 2013 will be £43,609.

**EVENTS SINCE THE END OF THE PERIOD**

Information relating to events since the end of the period is given in the notes to the financial statements.

**DIRECTORS**

David Anthony Wood has held office during the whole of the period from 1 April 2012 to the date of this report.

Other changes in directors holding office are as follows:

Mrs Karen Wood - appointed 14 March 2013

**REPORT OF THE DIRECTORS  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the 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;
- state whether applicable 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.

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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, WHS Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

David Anthony Wood - Director

17 December 2013

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DAVID WOOD BAKING LIMITED**

We have audited the financial statements of David Wood Baking Limited for the period ended 30 March 2013 on pages five to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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**

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. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 March 2013 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

### **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.

Christopher Hill FCA (Senior Statutory Auditor)  
for and on behalf of WHS Accountants Limited  
Chartered Accountants  
Elmville House  
305 Roundhay Road  
Leeds



**DAVID WOOD BAKING LIMITED (REGISTERED NUMBER: 06541251)**

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013**

		Period 1.4.12 to 30.3.13		Period 3.4.11 to 31.3.12	
	Notes	£	£	£	£
<b>TURNOVER</b>			<b>16,057,690</b>		<b>15,147,353</b>
Cost of sales			<b>12,622,633</b>		<b>11,747,052</b>
<b>GROSS PROFIT</b>			<b>3,435,057</b>		<b>3,400,301</b>
Distribution costs		<b>743,718</b>		562,569	
Administrative expenses		<b>1,602,852</b>		<b>2,582,525</b>	
			<b>2,346,570</b>		<b>3,145,094</b>
<b>OPERATING PROFIT</b>	3		<b>1,088,487</b>		<b>255,207</b>
Interest payable and similar charges	4		<b>28,291</b>		<b>46,163</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			<b>1,060,196</b>		<b>209,044</b>
Tax on profit on ordinary activities	5		<b>251,339</b>		<b>48,326</b>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>			<b>808,857</b>		<b>160,718</b>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current period or previous period.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current period or previous period.

The notes form part of these financial statements

**DAVID WOOD BAKING LIMITED (REGISTERED NUMBER: 06541251)**

**BALANCE SHEET  
30 MARCH 2013**

	Notes	2013 £	£	2012 £	£
<b>FIXED ASSETS</b>					
Intangible assets	7		500		1,500
Tangible assets	8		<u>9,277,061</u>		<u>848,687</u>
			<b>9,277,561</b>		<b>850,187</b>
<b>CURRENT ASSETS</b>					
Stocks	9	2,564,256		984,429	
Debtors	10	7,679,633		2,192,732	
Cash at bank and in hand		<u>715,735</u>		<u>-</u>	
		<b>10,959,624</b>		<b>3,177,161</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>12,607,175</u>		<u>2,241,113</u>	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<b>(1,647,551)</b>		<b>936,048</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>7,630,010</b>		<b>1,786,235</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		<b>(4,406,023)</b>		<b>(123,686)</b>
<b>PROVISIONS FOR LIABILITIES</b>	16		<b>(337,538)</b>		<b>(68,281)</b>
<b>ACCRUALS AND DEFERRED INCOME</b>	17		<b>(526,933)</b>		<b>-</b>
<b>NET ASSETS</b>			<u><b>2,359,516</b></u>		<u><b>1,594,268</b></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		<b>1,200,002</b>		<b>1,200,002</b>
Profit and loss account	19		<u><b>1,159,514</b></u>		<u><b>394,266</b></u>
<b>SHAREHOLDERS' FUNDS</b>	24		<u><b>2,359,516</b></u>		<u><b>1,594,268</b></u>

The financial statements were approved by the Board of Directors on 17 December 2013 and were signed on its behalf by:

David Anthony Wood - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

1. ACCOUNTING POLICIES

**Accounting convention**

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

**Turnover**

Turnover represents the amount of goods supplied and bakery services chargeable in the period, net of relevant discounts and value added tax. Turnover of goods supplied is recognised within the profit and loss account at the point that goods are delivered to the customer.

**Patents and licences**

Amortisation is provided at an annual rate of 20% of cost in order to write these assets off over their estimated useful life.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 50% on cost

**Stocks**

Stocks are valued at the lower of cost, including an addition for production overheads where appropriate, and net realisable value.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase commitments**

Assets obtained under hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**Government grants**

Government grants received are treated as deferred credits and credited to profit and loss account over the estimated useful life of the relevant fixed assets.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

2. STAFF COSTS

	Period 1.4.12 to 30.3.13 £	Period 3.4.11 to 31.3.12 £
Wages and salaries	3,261,596	2,899,153
Social security costs	252,860	177,717
Other pension costs	113,499	109,739
	<u>3,627,955</u>	<u>3,186,609</u>

The average monthly number of employees during the period was as follows:

	Period 1.4.12 to 30.3.13	Period 3.4.11 to 31.3.12
Total employees	<u>150</u>	<u>141</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	Period 1.4.12 to 30.3.13 £	Period 3.4.11 to 31.3.12 £
Hire of plant and machinery	6,126	7,385
Rent	172,333	134,854
Depreciation - owned assets	198,589	142,689
Depreciation - assets on hire purchase contracts and finance leases	8,733	11,203
Profit on disposal of fixed assets	-	(2,658)
Patents and licences amortisation	1,000	1,000
Auditors' remuneration	7,200	7,000
Director's pension contributions	<u>99,040</u>	<u>99,040</u>
Directors' remuneration	<u>9,157</u>	<u>7,200</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>1</u>
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NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1.4.12 to 30.3.13 £	Period 3.4.11 to 31.3.12 £
Bank interest	-	19,300
Bank loan interest	934	1,406
Invoice finance interest	20,996	18,660
Asset finance interest	6,361	(3,612)
Director's loan interest	-	10,409
	<u>28,291</u>	<u>46,163</u>

5. TAXATION

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the period was as follows:

	Period 1.4.12 to 30.3.13 £	Period 3.4.11 to 31.3.12 £
Current tax:		
UK corporation tax	208,803	43,914
Deferred tax	<u>42,536</u>	<u>4,412</u>
Tax on profit on ordinary activities	<u>251,339</u>	<u>48,326</u>

**Factors affecting the tax charge**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.4.12 to 30.3.13 £	Period 3.4.11 to 31.3.12 £
Profit on ordinary activities before tax	<u>1,060,196</u>	<u>209,044</u>
Profit on ordinary activities		
multiplied by the standard rate of corporation tax		
in the UK of 24% (2012 - 26%)	254,447	54,351
Effects of:		
Expenses not deductible for tax purposes	2,145	3,026
Capital allowances in excess of depreciation	(47,789)	(8,787)
Marginal relief	-	(4,676)
Current tax charge	<u>208,803</u>	<u>43,914</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

6. DIVIDENDS

	Period 1.4.12 to 30.3.13 £	Period 3.4.11 to 31.3.12 £
Ordinary shares of £1 each		
Interim	<u>43,609</u>	<u>35,680</u>

7. INTANGIBLE FIXED ASSETS

	Patents and licences £
<b>COST</b>	
At 1 April 2012	
and 30 March 2013	<u>5,000</u>
<b>AMORTISATION</b>	
At 1 April 2012	3,500
Amortisation for period	<u>1,000</u>
At 30 March 2013	<u>4,500</u>
<b>NET BOOK VALUE</b>	
At 30 March 2013	<u>500</u>
At 31 March 2012	<u>1,500</u>

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 April 2012	-	1,173,562	-
Additions	-	1,326,272	-
Disposals	-	(11,000)	-
Group transfer	53,449	7,512,382	1,596,739
At 30 March 2013	<u>53,449</u>	<u>10,001,216</u>	<u>1,596,739</u>
<b>DEPRECIATION</b>			
At 1 April 2012	-	386,702	-
Charge for period	-	164,738	-
Group transfer	34,703	1,605,674	311,509
At 30 March 2013	<u>34,703</u>	<u>2,157,114</u>	<u>311,509</u>
<b>NET BOOK VALUE</b>			
At 30 March 2013	<u>18,746</u>	<u>7,844,102</u>	<u>1,285,230</u>
At 31 March 2012	-	786,860	-

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

8. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2012	101,057	134,476	1,409,095
Additions	-	62,056	1,388,328
Disposals	-	-	(11,000)
Group transfer	66,543	70,642	9,299,755
At 30 March 2013	167,600	267,174	12,086,178
<b>DEPRECIATION</b>			
At 1 April 2012	50,158	123,548	560,408
Charge for period	20,074	22,510	207,322
Group transfer	34,010	55,491	2,041,387
At 30 March 2013	104,242	201,549	2,809,117
<b>NET BOOK VALUE</b>			
At 30 March 2013	63,358	65,625	9,277,061
At 31 March 2012	50,899	10,928	848,687

Fixed assets, included in the above, which are held under hire purchase contracts and finance leases are as follows:

	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2012	25,450	24,755	24,094	74,299
Group transfer	63,000	28,194	-	91,194
At 30 March 2013	88,450	52,949	24,094	165,493
<b>DEPRECIATION</b>				
At 1 April 2012	10,655	4,642	24,094	39,391
Charge for period	2,545	6,188	-	8,733
Group transfer	20,475	15,765	-	36,240
At 30 March 2013	33,675	26,595	24,094	84,364
<b>NET BOOK VALUE</b>				
At 30 March 2013	54,775	26,354	-	81,129
At 31 March 2012	14,795	20,113	-	34,908

9. STOCKS

	2013 £	2012 £
Raw materials and consumables	1,121,086	311,968
Finished goods	1,443,170	672,461
	<u>2,564,256</u>	<u>984,429</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£	£
Trade debtors	7,117,003	2,022,628
Other debtors	-	10,000
VAT	417,581	135,056
Prepayments	145,049	25,048
	<u>7,679,633</u>	<u>2,192,732</u>

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£	£
Bank loans and overdrafts (see note 13)	6,014,746	319,457
Hire purchase contracts and finance leases (see note 14)	24,254	5,564
Trade creditors	4,018,036	1,442,303
Corporation tax	208,717	43,165
Social security and other taxes	294,559	53,384
Director's loan account	556,167	8,097
Accruals and deferred income	1,490,696	369,143
	<u>12,607,175</u>	<u>2,241,113</u>

12. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2013	2012
	£	£
Bank loans (see note 13)	456,979	111,167
Hire purchase contracts and finance leases (see note 14)	7,532	12,519
Amounts owed to group undertakings	3,941,512	-
	<u>4,406,023</u>	<u>123,686</u>

13. **LOANS**

An analysis of the maturity of loans is given below:

	2013	2012
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	100,151
Bank loans	485,638	29,000
Invoice financing	5,529,108	190,306
	<u>6,014,746</u>	<u>319,457</u>
Amounts falling due between one and two years:		
Bank loans	<u>216,062</u>	<u>29,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

13. LOANS - continued

	2013	2012
	£	£
Amounts falling due between two and five years:		
Bank loans	<u>240,917</u>	<u>82,167</u>

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts		Finance leases	
	2013	2012	2013	2012
	£	£	£	£
Gross obligations repayable:				
Within one year	11,398	6,498	14,601	-
Between one and five years	<u>8,939</u>	<u>14,621</u>	<u>-</u>	<u>-</u>
	<u>20,337</u>	<u>21,119</u>	<u>14,601</u>	<u>-</u>
Finance charges repayable:				
Within one year	1,474	934	271	-
Between one and five years	<u>1,407</u>	<u>2,102</u>	<u>-</u>	<u>-</u>
	<u>2,881</u>	<u>3,036</u>	<u>271</u>	<u>-</u>
Net obligations repayable:				
Within one year	9,924	5,564	14,330	-
Between one and five years	<u>7,532</u>	<u>12,519</u>	<u>-</u>	<u>-</u>
	<u>17,456</u>	<u>18,083</u>	<u>14,330</u>	<u>-</u>

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2013	2012
	£	£
Expiring:		
Between one and five years	25,300	-
In more than five years	<u>573,000</u>	<u>139,000</u>
	<u>598,300</u>	<u>139,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

15. SECURED DEBTS

The following secured debts are included within creditors:

	2013	2012
	£	£
Bank overdraft	-	100,151
Bank loans	6,471,725	330,473
Hire purchase contracts and finance leases	31,786	18,083
	<u>6,503,511</u>	<u>448,707</u>

Bank loans, overdrafts and facilities are secured by various mortgages, charges and a debenture over the company's tangible assets and trade debtors. The directors, David Anthony Wood and Karen Wood, have given personal guarantees and a charge over their residential property.

16. PROVISIONS FOR LIABILITIES

	2013	2012
	£	£
Deferred tax	<u>337,538</u>	<u>68,281</u>
		<b>Deferred tax</b>
		£
Balance at 1 April 2012		68,281
Charge to profit and loss account during period		42,536
Group transfer		<u>226,721</u>
Balance at 30 March 2013		<u>337,538</u>

The provision for deferred tax is made up of accelerated capital allowances (2012 accelerated capital allowances).

17. ACCRUALS AND DEFERRED INCOME

	2013	2012
	£	£
Deferred government grants	<u>526,933</u>	<u>-</u>
		<b>Government grants</b>
		£
Balance at 1 April 2012		-
Group transfer		<u>526,933</u>
Balance at 30 March 2013		<u>526,933</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2013	2012
			£	£
1,200,002	Ordinary	£1	<u>1,200,002</u>	<u>1,200,002</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

19. **RESERVES**

	Profit and loss account £
At 1 April 2012	394,266
Profit for the period	808,857
Dividends	(43,609)
At 30 March 2013	<u>1,159,514</u>

20. **ULTIMATE PARENT COMPANY**

David Wood Baking UK Limited is regarded by the directors as being the company's ultimate parent company.

The company became a wholly owned subsidiary on 28th March 2013 when David Anthony Wood exchanged his shares in the Company for shares in David Wood Baking UK Limited.

21. **RELATED PARTY DISCLOSURES**

**Mrs Karen Wood**

Wife of David Anthony Wood and Director (hereinafter "KW")

Joint transactions shown below with David Anthony Wood.

**David Anthony Wood**

Director and Controlling Party (hereinafter "DAW")

The company operates from premises owned by DAW and KW and paid rent of £139,000 during the period ended 30th March 2013 (2012 - £114,500).

The company paid dividends of £43,609 to DAW during the period ended 30th March 2013 (2012 - £35,680).

In 2012 the company paid interest of £10,409 to DAW for the loan that he has made to the company. The loan had previously been interest free. At 30th March 2013 the loan from DAW was £556,167 (2012 - £8,097).

22. **POST BALANCE SHEET EVENTS**

The company became a wholly owned subsidiary of David Wood Baking UK Limited on 28th March 2013.

At close of business on 30th March 2013 the company acquired the trade, assets and liabilities of Peter Hunts Bakery Limited (a fellow wholly owned subsidiary of David Wood Baking UK Limited) and of David Wood Baking UK Limited. The acquisition of the assets and the transfer of the associated liabilities resulted in the company being indebted to Peter Hunts Bakery Limited and David Wood Baking UK Limited for £3,941,512.

When the reorganisation of the above companies took place in March 2013 it was the intention to increase the called up share capital of the company by way of converting some of the above inter-company indebtedness. On 10th December 2013 the transaction was executed by the conversion of £3,799,998 of inter-company indebtedness into called up share capital, thereby increasing the called up share capital of the company to £5,000,000.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 APRIL 2012 TO 30 MARCH 2013

23. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is David Anthony Wood.

24. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2013	2012
	£	£
Profit for the financial period	808,857	160,718
Dividends	(43,609)	(35,680)
<b>Net addition to shareholders' funds</b>	<b>765,248</b>	<b>125,038</b>
Opening shareholders' funds	1,594,268	1,469,230
<b>Closing shareholders' funds</b>	<b>2,359,516</b>	<b>1,594,268</b>

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