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Company Registration No. 06566108 (England and Wales)

**CATERFOOD HOLDINGS LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 OCTOBER 2013**

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CATERFOOD HOLDINGS LIMITED

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CATERFOOD HOLDINGS LIMITED

DIRECTORS AND ADVISERS

Directors

Mr M Felton
Mr M Felton Jnr
Mr C M Taylor

Secretary

Mr C M Taylor

Company number

06566108

Registered office

Maple House
Aspen Way
Yalberton
Paignton
Devon
TQ4 7QR

Registered auditors

Darnells Chartered Accountants
Quay House
Quay Road
Newton Abbot
Devon
TQ12 2BU

CATERFOOD HOLDINGS LIMITED

GROUP STRATEGIC REPORT

FOR THE YEAR ENDED 31 OCTOBER 2013

This report has been prepared to inform members of the group and help them assess how the directors have performed their duty to promote the success of the group.

Review of the business

The gross margin has been maintained during the year and sales have been in line with forecasts. During the year, the group increased its capital expenditure from £414,839 in the year ended 31 October 2012 to £516,096. This represented an investment in a new cold store and computer equipment along with the replacement of existing delivery vehicles. Capital expenditure was financed by hire purchase agreements and from operating cash flow. The directors believe that all these factors, along with its appetite for effective management, forward planning, robust monitoring of efficiencies and its view on controlling costs has resulted in the group net profit before tax increasing from £959,077 to £1,172,955.

Considering all these factors, the directors are satisfied with the results for the year and the continued strength of the group balance sheet.

The group's principal operational risks include food safety, health and safety and power failures. The management of food safety risks includes both internal and external audits and inspections. The management of health and safety risks includes a health and safety manual, risk assessments and audits by an external organisation. The group has backup generators which will be utilised in the event of power outages.

The group's principal commercial risks include its reliance on the strength of the tourism industry in the west and south of the country and bad debts. The group is committed to continued diversification of its customer base outside of the tourism industry, and particularly outside of the summer season, and is equally committed to the seeking out, introduction and promotion of exciting new lines across its product range, providing continued stimulation for its diverse customer base. Given the current economic environment, significant focus is being placed on the minimisation of bad debt risk, and the group has a dedicated credit control department.

New customers are subject to stringent vetting before being allowed credit. This has allowed the group to control debtor recovery and reduce bad debts written off.

Future developments

The directors are confident the group is in a strong position as it enters what will undoubtedly be another challenging year as we continue forward into an uncertain global economic climate. The directors remain very optimistic and upbeat as they continue their assertive focus on reducing costs whilst striving to expand the group's operations and increase turnover in the following financial year.

CATERFOOD HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

Financial instruments

The group's principal financial instruments comprise bank overdrafts, trade debtors and creditors, together with bank and other loans including hire purchase agreements.

Due to the nature of the financial instruments used by the group, there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments concerned is shown below.

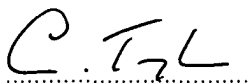
In respect of bank overdrafts, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest.

In respect of loans, these comprise loans from financial institutions and loans from the directors. The interest rate on bank loans is variable but the monthly repayments are fixed. Other loans from financial institutions, including hire purchase agreements are at fixed interest and fixed monthly repayments. Interest on loans from the directors is payable at a fixed rate and the loans will only be repaid, in whole or part, when finance is available. The group manages the liquidity risk by ensuring there are sufficient funds to meet the payments.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors risk is managed by ensuring sufficient funds are available to meet amounts due.

On behalf of the board



Mr C M Taylor
Director

Date: 9th April 2014

CATERFOOD HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2013

The directors present their report and financial statements for the year ended 31 October 2013.

Principal activities and review of the business

The principal activity of Caterfood Holdings Limited continued to be that of a holding company.

The principal activities of the group continued to be that of the sale and distribution of frozen, chilled and ambient foodstuffs, soft drinks and related provisions to the catering trade, manufacture and distribution of ice cream, handmade food products, and the maintenance of motor vehicles.

Results and dividends

The consolidated profit and loss account for the year is set out on page 8.

An interim ordinary dividend was paid amounting to £420,000. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 November 2012:

Mr M Felton
Mr M Felton Jnr
Mr C M Taylor

Auditors

The auditors, Darnells Chartered Accountants, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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 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 group and of the profit or loss of the group 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 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CATERFOOD HOLDINGS LIMITED

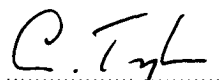
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2013

Statement of disclosure to auditors

So far as the directors who held office at the date of approval of these financial statements are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



Mr C M Taylor
Director

Date: 9th April 2014

CATERFOOD HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CATERFOOD HOLDINGS LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Caterfood Holdings Limited for the year ended 31 October 2013 set out on pages 8 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 - 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

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 Directors' 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 October 2013 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

CATERFOOD HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF CATERFOOD HOLDINGS 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Mr Paul Beard (Senior Statutory Auditor)
for and on behalf of
Darnells Chartered Accountants
Statutory Auditor
Quay House
Quay Road
Newton Abbot
Devon
TQ12 2BU

Date: 10th April 2014

CATERFOOD HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2013

	Notes	2013 £	2012 £
Turnover	2	18,674,130	17,650,824
Cost of sales		(12,838,238)	(11,889,932)
Gross profit		5,835,892	5,760,892
Distribution costs		(2,399,987)	(2,619,197)
Administrative expenses		(2,170,005)	(2,087,831)
Operating profit	3	1,265,900	1,053,864
Other interest receivable and similar income		992	939
Interest payable and similar charges	4	(93,937)	(95,726)
Profit on ordinary activities before taxation		1,172,955	959,077
Tax on profit on ordinary activities	5	(275,728)	(219,814)
Profit on ordinary activities after taxation		897,227	739,263

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

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

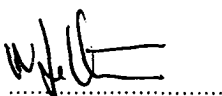
CATERFOOD HOLDINGS LIMITED

BALANCE SHEETS

AS AT 31 OCTOBER 2013

		Group		Company	
	Notes	2013 £	2012 £	2013 £	2012 £
Fixed assets					
Intangible assets	8	85,997	98,630	-	-
Tangible assets	9	4,016,866	3,930,961	-	-
Investments	10	50	-	587,210	587,210
		<u>4,102,913</u>	<u>4,029,591</u>	<u>587,210</u>	<u>587,210</u>
Current assets					
Stocks	11	1,226,089	1,243,361	-	-
Debtors	12	1,767,536	1,534,197	174,318	94,318
Cash at bank and in hand		700,715	394,899	127,305	126,398
		<u>3,694,340</u>	<u>3,172,457</u>	<u>301,623</u>	<u>220,716</u>
Creditors: amounts falling due within one year	13	<u>(2,516,164)</u>	<u>(2,159,225)</u>	<u>(851,333)</u>	<u>(770,426)</u>
Net current assets		<u>1,178,176</u>	<u>1,013,232</u>	<u>(549,710)</u>	<u>(549,710)</u>
Total assets less current liabilities		<u>5,281,089</u>	<u>5,042,823</u>	<u>37,500</u>	<u>37,500</u>
Creditors: amounts falling due after more than one year	15	<u>(1,721,920)</u>	<u>(1,982,408)</u>	<u>-</u>	<u>-</u>
Provisions for liabilities	14	<u>(122,197)</u>	<u>(100,670)</u>	<u>-</u>	<u>-</u>
		<u>3,436,972</u>	<u>2,959,745</u>	<u>37,500</u>	<u>37,500</u>
Capital and reserves					
Called up share capital	17	37,500	37,500	37,500	37,500
Share premium account	19	92,000	92,000	-	-
Profit and loss account	19	3,307,472	2,830,245	-	-
Shareholders' funds	18	<u>3,436,972</u>	<u>2,959,745</u>	<u>37,500</u>	<u>37,500</u>

Approved by the Board and authorised for issue on 9th April 2014



Mr M Felton
Director

Company Registration No. 06566108

CATERFOOD HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		1,679,839		939,700
Returns on investments and servicing of finance				
Interest received	992		939	
Interest paid	(93,937)		(95,726)	
Net cash outflow for returns on investments and servicing of finance		(92,945)		(94,787)
Taxation		(236,451)		(230,005)
Capital expenditure and financial investment				
Payments to acquire intangible assets	-		(17,000)	
Payments to acquire tangible assets	(516,096)		(414,839)	
Payments to acquire investments	(50)		-	
Receipts from sales of tangible assets	23,324		34,552	
Net cash outflow for capital expenditure		(492,822)		(397,287)
Equity dividends paid		(420,000)		(148,500)
Net cash inflow before management of liquid resources and financing		437,621		69,021
Financing				
Other new short term loans	5,204		130,094	
New hire purchase agreements	245,079		275,542	
Repayment of long term bank loan	(163,569)		(160,380)	
Repayment of other short term loans	-		(80,000)	
Capital element of hire purchase contracts	(235,922)		(208,772)	
Net cash outflow from financing		(149,208)		(43,516)
Increase/(decrease) in cash in the year		288,413		25,605

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2013

1	Reconciliation of operating profit to net cash inflow from operating activities	2013	2012
		£	£
	Operating profit	1,265,900	1,053,864
	Depreciation of tangible assets	402,277	403,032
	Amortisation of intangible assets	12,633	23,315
	Loss on disposal of tangible assets	4,590	13,888
	Decrease/(increase) in stocks	17,272	(240,567)
	(Increase)/decrease in debtors	(233,339)	5,380
	Increase/(decrease) in creditors within one year	210,506	(319,212)
	Net cash inflow from operating activities	1,679,839	939,700

2	Analysis of net debt	1 November 2012	Cash flow	Other non-cash changes	31 October 2013
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	394,899	305,816	-	700,715
	Bank overdrafts	(12,885)	(17,403)	-	(30,288)
		382,014	288,413	-	670,427
	Finance leases	(390,548)	(9,157)	-	(399,705)
	Debts falling due within one year	(292,292)	(7,301)	-	(299,593)
	Debts falling due after one year	(1,766,566)	165,666	-	(1,600,900)
		(2,449,406)	149,208	-	(2,300,198)
	Net debt	(2,067,392)	437,621	-	(1,629,771)

3	Reconciliation of net cash flow to movement in net debt	2013	2012
		£	£
	Increase in cash in the year	288,413	25,605
	Cash outflow from decrease in debt	149,208	43,516
	Movement in net debt in the year	437,621	69,121
	Opening net debt	(2,067,392)	(2,136,513)
	Closing net debt	(1,629,771)	(2,067,392)

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

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

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 October 2013.

The business combination with Caterfood (South West) Limited was a group reconstruction on a share for share exchange, and was therefore accounted for as a merger applying the merger relief provisions under section 612 of the Companies Act 2006. The results of other subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Associated undertakings

The group's share of profits less losses of associated undertakings is included in the consolidated profit and loss account, and the group's share of their net assets is included in the consolidated balance sheet. These amounts are taken from the latest audited financial statements of the undertakings concerned.

1.5 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts during the year in respect of the sale and distribution of frozen, chilled and ambient foodstuffs, soft drinks and related provisions to the catering trade, manufacture and sale of ice cream products, and the maintenance and repair of motor vehicles, less credit for returns.

Revenue is recognised on despatch of the goods to the customer, at which point the significant risks and rewards of ownership have been transferred to the buyer.

1.6 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

1.7 Tangible fixed assets and depreciation

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

Land and buildings freehold	2% per annum on a straight line basis
Land and buildings leasehold	over the remaining term of the lease
Plant and machinery	10% per annum on a straight line basis
Fixtures, fittings & equipment	20% - 25% per annum on a reducing balance basis
Motor vehicles	25% per annum on a reducing balance basis

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

1 Accounting policies

(Continued)

1.8 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account on a sum of digits basis over the term of the contract.

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

1.9 Investments

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

1.10 Stock

Stock is valued at the lower of cost and net realisable value. Provision is made, where necessary, for obsolete, slow-moving and defective stock.

Cost is based on the First In, First Out principle so that quantities in hand represent the latest purchases. Net realisable value is based on the estimated selling price less further costs expected to be incurred to completion and disposal.

1.11 Pensions

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension costs charged in the financial statements represent the contributions payable by the group to the fund during the year. Any unpaid contributions are included in creditors.

1.12 Deferred taxation

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

2 Turnover

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

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

3	Operating profit	2013	2012
		£	£
	Operating profit is stated after charging:		
	Amortisation of intangible assets	12,633	23,315
	Depreciation of tangible assets	402,277	403,032
	Loss on disposal of tangible assets	5,573	13,888
	Operating lease rentals		
	- Plant and machinery	39,141	38,401
	- Other assets	90,332	73,946
	Fees payable to the group's auditor for the audit of the group's annual accounts	20,100	21,667
	and after crediting:		
	Profit on disposal of tangible assets	(983)	-
		<u> </u>	<u> </u>
4	Interest payable	2013	2012
		£	£
	On bank loans and overdrafts	69,061	75,273
	Hire purchase interest	20,681	15,451
	Other interest	4,195	5,002
		<u> </u>	<u> </u>
		<u>93,937</u>	<u>95,726</u>

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

5	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	254,682	250,940
	Adjustment for prior years	(481)	(62)
	Total current tax	<u>254,201</u>	<u>250,878</u>
	Deferred tax		
	Deferred tax charge/credit current year	21,527	(31,064)
		<u>21,527</u>	<u>(31,064)</u>
		<u>275,728</u>	<u>219,814</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,172,955</u>	<u>959,077</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.41% (2012 - 24.83%)	<u>274,589</u>	<u>238,139</u>
	Effects of:		
	Non deductible expenses	654	915
	Depreciation add back	98,819	106,107
	Capital allowances	(114,206)	(86,561)
	Adjustments to previous periods	(481)	(62)
	Chargeable disposals	1,305	-
	Other tax adjustments	(6,479)	(7,660)
		<u>(20,388)</u>	<u>12,739</u>
	Current tax charge for the year	<u>254,201</u>	<u>250,878</u>

6 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2013 £	2012 £
Holding company's profit for the financial year	<u>420,000</u>	<u>148,500</u>

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

7	Dividends	2013 £	2012 £
	Ordinary interim paid	420,000	148,500

The dividends above were paid to the shareholders, some of whom are the directors. Full details of the shareholders can be obtained from Companies House.

8	Intangible fixed assets Group	Goodwill £
	Cost	
	At 1 November 2012	163,324
	Disposals	(20,000)
	At 31 October 2013	143,324
	Amortisation	
	At 1 November 2012	64,694
	Amortisation on disposals	(20,000)
	Charge for the year	12,633
	At 31 October 2013	57,327
	Net book value	
	At 31 October 2013	85,997
	At 31 October 2012	98,630

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

(Continued)

9 Tangible fixed assets

Group	Land and buildings freehold £	Land and buildings leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost						
At 1 November 2012	2,650,702	11,317	1,620,491	928,812	1,569,679	6,781,001
Additions	-	58,404	143,248	115,372	199,072	516,096
Disposals	-	-	(711)	(208,421)	(57,780)	(266,912)
At 31 October 2013	2,650,702	69,721	1,763,028	835,763	1,710,971	7,030,185
Depreciation						
At 1 November 2012	224,540	2,413	1,066,397	643,269	913,421	2,850,040
On disposals	-	-	(249)	(204,477)	(34,272)	(238,998)
Charge for the year	7,735	4,192	135,655	79,130	175,565	402,277
At 31 October 2013	232,275	6,605	1,201,803	517,922	1,054,714	3,013,319
Net book value						
At 31 October 2013	2,418,427	63,116	561,225	317,841	656,257	4,016,866
At 31 October 2012	2,426,162	8,904	554,094	285,543	656,258	3,930,961

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Net book values				
At 31 October 2013	335,781	-	288,216	623,997
At 31 October 2012	390,988	-	367,479	758,467
Depreciation charge for the year				
31 October 2013	60,937	-	61,674	122,611
31 October 2012	54,899	-	182,734	237,633

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

10 Fixed asset investments Group

	Shares in participating interests £
Cost	
At 1 November 2012	-
Additions	50
	<hr/>
At 31 October 2013	50
	<hr/>
Net book value	
At 31 October 2013	50
	<hr/>
At 31 October 2012	-
	<hr/>

Company

	Shares in group undertakings £
Cost	
At 1 November 2012 & at 31 October 2013	587,210
	<hr/>
Net book value	
At 31 October 2013	587,210
	<hr/>
At 31 October 2012	587,210
	<hr/>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

10 Fixed asset investments

(Continued)

Holdings of more than 20%

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

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Caterfood (South West) Limited	England & Wales	Ordinary	100.00
Yarde Farm Limited	England & Wales	Ordinary	100.00
Childhay Manor Ice Cream Limited*	England & Wales	Ordinary	100.00
Quality Cuisine (South West) Limited	England & Wales	Ordinary	100.00
Motec (SW) Limited	England & Wales	Ordinary	100.00

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Caterfood (South West) Limited	Sale & distribution of frozen, chilled & ambient foodstuffs, etc
Yarde Farm Limited	Manufacture of ice cream products
Childhay Manor Ice Cream Limited*	Dormant
Quality Cuisine (South West) Limited	Manufacture of handmade food
Motec (SW) Limited	Maintenance & repair of motor vehicles

* Childhay Manor Ice Cream Limited is a subsidiary of Yarde Farm Limited

11 Stocks

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Raw materials and consumables	63,090	67,686	-	-
Finished goods and goods for resale	1,162,999	1,175,675	-	-
	<u>1,226,089</u>	<u>1,243,361</u>	<u>-</u>	<u>-</u>

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

12 Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	1,493,699	1,227,597	-	-
Amounts owed by group undertakings	-	-	174,318	94,318
Other debtors	111,048	136,085	-	-
Prepayments and accrued income	162,789	170,515	-	-
	<u>1,767,536</u>	<u>1,534,197</u>	<u>174,318</u>	<u>94,318</u>

13 Creditors : amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	194,583	175,083	-	-
Net obligations under finance lease and hire purchase contracts	278,685	174,706	-	-
Trade creditors	1,185,653	1,149,489	-	-
Amounts owed to group undertakings	-	-	851,333	770,426
Corporation tax	143,690	125,940	-	-
Taxes and social security costs	154,805	142,189	-	-
Directors current accounts	135,000	-	-	-
Other creditors	137,675	130,196	-	-
Accruals and deferred income	286,073	261,622	-	-
	<u>2,516,164</u>	<u>2,159,225</u>	<u>851,333</u>	<u>770,426</u>

The bank loan is secured (see Note 15 to the financial statements).

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

14 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 November 2012& at 31 October 2013	100,670
Profit and loss account	21,527
	<u>122,197</u>
Balance at 31 October 2013	<u>122,197</u>

The deferred tax liability is made up as follows:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Accelerated capital allowances	<u>122,197</u>	<u>100,670</u>	<u>-</u>	<u>-</u>

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

15 Creditors : amounts falling due after more than one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	1,600,900	1,766,566	-	-
Net obligations under finance leases and hire purchase agreements	121,020	215,842	-	-
	<u>1,721,920</u>	<u>1,982,408</u>	<u>-</u>	<u>-</u>
Analysis of loans				
Not wholly repayable within five years by instalments:				
Wholly repayable within five years	1,900,493	2,058,858	-	-
	<u>1,900,493</u>	<u>2,058,858</u>	<u>-</u>	<u>-</u>
Included in current liabilities	(299,593)	(292,292)	-	-
	<u>1,600,900</u>	<u>1,766,566</u>	<u>-</u>	<u>-</u>
Loan maturity analysis				
In more than one year but not more than two years	166,533	164,295	-	-
In more than two years but not more than five years	508,232	503,961	-	-
In more than five years	926,135	1,098,310	-	-
	<u>1,600,900</u>	<u>1,766,566</u>	<u>-</u>	<u>-</u>

The bank loans and overdrafts are secured by way of mortgages over the group's freehold properties, and by means of fixed and floating charges over all current and future assets of Caterfood (South West) Limited and Yarde Farm Limited.

The obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

Interest is payable on the Caterfood (South West) Limited bank loan at a rate of 1.85% above LIBOR. The bank loan is repayable by equal monthly instalments together with a final balloon payment.

Interest is payable on the Yarde Farm Limited bank loan at a rate based on LIBOR, but with a "collar" in place, ie. the interest rate in force can only fluctuate between pre-agreed minimum and maximum rates. The bank loan is repayable by monthly instalments both the capital repayments and interest payments fluctuate each month over the term of the loan.

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

15 Creditors : amounts falling due after more than one year (Continued)

Net obligations under finance leases and hire purchase contracts

Repayable within one year	267,826	185,673	-	-
Repayable between one and five years	119,313	221,732	-	-
	<u>387,139</u>	<u>407,405</u>	-	-
Finance charges and interest allocated to future accounting periods	(10,716)	(16,857)	-	-
	<u>376,423</u>	<u>390,548</u>	-	-
Included in liabilities falling due within one year	(278,685)	(174,706)	-	-
	<u>97,738</u>	<u>215,842</u>	-	-

16 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £525 (2012- £525) were payable to the fund at the year end and are included in creditors.

	2013 £	2012 £
Contributions payable by the group for the year	<u>53,478</u>	<u>53,477</u>

17 Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
10,000 Ordinary A Shares of £1 each	10,000	10,000
3,000 Ordinary B Shares of £1 each	3,000	3,000
10,000 Ordinary C Shares of £1 each	10,000	10,000
11,500 Ordinary D Shares of £1 each	11,500	11,500
3,000 Ordinary E Shares of £1 each	3,000	3,000
	<u>37,500</u>	<u>37,500</u>

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

18 Reconciliation of movements in shareholders' funds	2013	2012
Group	£	£
Profit for the financial year	897,227	739,263
Dividends	(420,000)	(148,500)
	<u>477,227</u>	<u>590,763</u>
Proceeds from issue of shares	-	100
	<u>477,227</u>	<u>590,863</u>
Net addition to shareholders' funds	2,959,745	2,368,882
Opening shareholders' funds	<u>3,436,972</u>	<u>2,959,745</u>
Closing shareholders' funds	<u><u>3,436,972</u></u>	<u><u>2,959,745</u></u>
	2013	2012
Company	£	£
Profit for the financial year	420,000	148,500
Dividends	(420,000)	(148,500)
	<u>-</u>	<u>-</u>
Net depletion in shareholders' funds	37,500	37,500
Opening shareholders' funds	<u>37,500</u>	<u>37,500</u>
Closing shareholders' funds	<u><u>37,500</u></u>	<u><u>37,500</u></u>
19 Statement of movements on reserves		
Group	Share premium account	Profit and loss account
	£	£
Balance at 1 November 2012	92,000	2,830,245
Profit for the year	-	897,227
Dividends paid	-	(420,000)
	<u>92,000</u>	<u>3,307,472</u>
Balance at 31 October 2013	<u><u>92,000</u></u>	<u><u>3,307,472</u></u>

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

19 Statement of movements on reserves

(Continued)

Company

	Profit and loss account £
Profit for the year	420,000
Dividends paid	(420,000)
Balance at 31 October 2013	-

20 Financial commitments

At 31 October 2013 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Expiry date:				
Within one year	-	-	3,923	15,896
Between two and five years	23,500	-	19,206	23,894
In over five years	64,175	64,175	-	-
	<u>87,675</u>	<u>64,175</u>	<u>23,129</u>	<u>39,790</u>

21 Directors' remuneration

	2013 £	2012 £
Remuneration for qualifying services	<u>174,451</u>	<u>217,257</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2012 - 3).

CATERFOOD HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2013

22 Employees

Number of employees

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

	2013 Number	2012 Number
Directors	7	8
Sales and marketing	19	20
Production	26	19
Transport, distribution and stores	65	69
Administration	17	15
	<u>134</u>	<u>131</u>

Employment costs

	2013 £	2012 £
Wages and salaries	2,517,110	2,429,631
Social security costs	185,797	194,580
Other pension costs	53,478	53,477
	<u>2,756,385</u>	<u>2,677,688</u>

23 Related party relationships and transactions

Group

During the year the group made sales on normal commercial terms of £20,550 (2012 - £15,478) to The Red Hot Pub Company Limited, a company in which the directors have an interest. At 31 October 2013 the company was owed £Nil (2012 - £2,430) by The Red Hot Pub Company Limited.

During the year the group paid rental income of £37,500 (2012 - £37,500) to a pension fund in which the directors have an interest. This was paid on normal commercial terms.