

Company Registration No. 07734763 (England and Wales)

**SPECIALITY FOOD MANUFACTURING LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**PAGES FOR FILING WITH REGISTRAR**

# **SPECIALITY FOOD MANUFACTURING LIMITED**

## **COMPANY INFORMATION**

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<b>Director</b>	Mr C J Moss
<b>Secretary</b>	Mrs S A Adair
<b>Company number</b>	07734763
<b>Registered office</b>	Amelia House Crescent Road Worthing West Sussex BN11 1QR
<b>Accountants</b>	MHA Carpenter Box Amelia House Crescent Road Worthing West Sussex BN11 1QR
<b>Business address</b>	Woodyard House Daux Road Billingshurst West Sussex RH14 9SJ

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# **SPECIALITY FOOD MANUFACTURING LIMITED**

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## **SPECIALITY FOOD MANUFACTURING LIMITED**

### **CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF SPECIALITY FOOD MANUFACTURING LIMITED FOR THE YEAR ENDED 31 DECEMBER 2016**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Speciality Food Manufacturing Limited for the year ended 31 December 2016 which comprise and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Speciality Food Manufacturing Limited, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Speciality Food Manufacturing Limited and state those matters that we have agreed to state to the Board of Directors of Speciality Food Manufacturing Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Speciality Food Manufacturing Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Speciality Food Manufacturing Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Speciality Food Manufacturing Limited. You consider that Speciality Food Manufacturing Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Speciality Food Manufacturing Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**MHA Carpenter Box**

29 September 2017

**Chartered Accountants**

Amelia House  
Crescent Road  
Worthing  
West Sussex  
BN11 1QR

# SPECIALITY FOOD MANUFACTURING LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	3		19,472		20,479
<b>Current assets</b>					
Stocks		-		2,631	
Debtors	4	57,088		88,540	
Cash at bank and in hand		1,507		552	
		<u>58,595</u>		<u>91,723</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(792,959)</u>		<u>(616,089)</u>	
<b>Net current liabilities</b>			(734,364)		(524,366)
<b>Total assets less current liabilities</b>			(714,892)		(503,887)
<b>Provisions for liabilities</b>			(3,700)		-
<b>Net liabilities</b>			<u>(718,592)</u>		<u>(503,887)</u>
<b>Capital and reserves</b>					
Called up share capital			1,500		1,500
Profit and loss reserves			<u>(720,092)</u>		<u>(505,387)</u>
<b>Total equity</b>			<u>(718,592)</u>		<u>(503,887)</u>

The director of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 29 September 2017

Mr C J Moss

**Director**

**Company Registration No. 07734763**

# **SPECIALITY FOOD MANUFACTURING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

#### **Company information**

Speciality Food Manufacturing Limited is a private company limited by shares incorporated in England and Wales. The registered office is Amelia House, Crescent Road, Worthing, West Sussex, BN11 1QR.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of Speciality Food Manufacturing Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### **1.2 Going concern**

The financial statements have been prepared on a going concern basis, as the fellow group company has confirmed that it will continue to support the company for the foreseeable future and for at least twelve months from the signing of these financial statements. The financial statements do not include any adjustments that would result from such support being withdrawn.

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is recognised upon the despatch of goods.

#### **1.4 Research and development expenditure**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

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

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% p.a. reducing balance
Fixtures, fittings & equipment	25% p.a. reducing balance
Computer equipment	25% p.a. reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# **SPECIALITY FOOD MANUFACTURING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

**(Continued)**

#### **1.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **1.7 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

#### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company. All share capital is allotted and fully paid.

#### **1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

# SPECIALITY FOOD MANUFACTURING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 1 Accounting policies

(Continued)

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 39 (2015 - 31).

### 3 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2016	26,179	10,425	-	36,604
Additions	3,433	549	977	4,959
At 31 December 2016	29,612	10,974	977	41,563
<b>Depreciation and impairment</b>				
At 1 January 2016	14,321	1,804	-	16,125
Depreciation charged in the year	3,595	2,258	113	5,966
At 31 December 2016	17,916	4,062	113	22,091
<b>Carrying amount</b>				
At 31 December 2016	11,696	6,912	864	19,472
At 31 December 2015	11,858	8,621	-	20,479

### 4 Debtors

	2016	2015
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	15,476	42,871
Other debtors	41,612	45,669
	57,088	88,540



# SPECIALITY FOOD MANUFACTURING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 5 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	56,068	83,920
Corporation tax	1,170	-
Other taxation and social security	39,067	55,816
Other creditors	696,654	476,353
	<u>792,959</u>	<u>616,089</u>

### 6 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2016 £	2015 £
Within one year	51,000	51,000
Between two and five years	204,000	204,000
In over five years	4,250	55,250
	<u>259,250</u>	<u>310,250</u>

### 7 Directors' transactions

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Mr C J Moss - Loan	-	1,995	3,601	(1,995)	3,601
		<u>1,995</u>	<u>3,601</u>	<u>(1,995)</u>	<u>3,601</u>

### 8 Parent company

The ultimate parent company is Healthy Sales Group Limited by virtue of 100% shareholding in the company. The registered office and principal place of business is Amelia House, Crescent Road, Worthing, west Sussex, BN11 1QR.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.