

**J. WILD (CONFECTIONERS) LIMITED****FINANCIAL STATEMENTS****30 JANUARY 2019****ArmstrongWatson®**

Accountants, Business &amp; Financial Advisers

# **J. WILD (CONFECTIONERS) LIMITED**

## **COMPANY INFORMATION**

<b>Directors</b>	E M Kassapian S C Bateman
<b>Company secretary</b>	S C Bateman
<b>Registered number</b>	00355189
<b>Registered office</b>	The Bakery Millennium Business Park Station Road Steeton Keighley BD20 6RB
<b>Independent auditors</b>	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditor Number 3 Acorn Business Park Airedale Business Centre Skipton North Yorkshire BD23 2UE
<b>Bankers</b>	Barclays Bank PLC PO Box 3 77 North Street Keighley West Yorkshire BD21 2SA

# **J. WILD (CONFECTIONERS) LIMITED**

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# **J. WILD (CONFECTIONERS) LIMITED**

## **STRATEGIC REPORT FOR THE YEAR ENDED 30 JANUARY 2019**

### **Introduction**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 January 2019.

### **Business review**

The principal activity of the company for the year under review was that of a bakery and supplier of confectionery and baked goods from their registered office of The Bakery, Millennium Business Park, Station Road, Steeton, Keighley, BD20 6RB. The company also operates from various retail bakery shops across the Yorkshire region.

The directors aim to present a balanced and comprehensive review of the development and performance of the business during the year and the company's position at the year end. The review is consistent with the size and non-complex nature of the business and is written in the context of the risks and uncertainties faced.

### **Principal risks and uncertainties**

The business environment in which the company operates continues to be challenging. The principal risks continue to be the general economic climate, the increase in competition and the pressure on pricing, as well as bad debts.

With these risks and uncertainties in mind, the directors are aware that any plans for the future development of the business may be subject to unforeseen future events outside our control.

### **Competitor Pressure**

The market in which the company operates is considered to be relatively competitive, and therefore competitive pressure could result in losing sales to key competitors. The company manages this risk by providing quality products and maintaining strong relationships with its key customers.

### **Financial Risk**

The company's operations expose it to a variety of financial risks that include the effect of changes in credit, liquidity and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs. The company uses derivative financial instruments to manage exchange rate costs.

### **Credit Risk**

The company has implemented policies that require appropriate credit checks on customers before sales are made.

### **Liquidity Risk**

The Directors believe that the company has sufficient funds available to support its activities in the future.

### **Brexit Risk**

The directors are aware of the risks and uncertainties surrounding the UK's withdrawal from the European Union. Whilst the company has limited exposure to the direct uncertainty created by in respect of the various risks mentioned, the directors are aware that any future plans may be subject to unforeseen circumstances outside of the director's control. The company has therefore implemented policies that maintained a strong balance sheet to minimise these risks and allow the continuing operational capabilities of the business.

**J. WILD (CONFECTIONERS) LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JANUARY 2019**

**Financial key performance indicators**

The directors consider that the key financial performance indicators are those that communicate the financial performance and strength of the company as a whole. The key financial performance metrics reported to the board on a monthly basis are turnover growth and gross profitability.

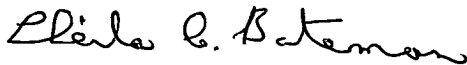
The directors are pleased with the performance of the company with turnover increasing in the year by 3.9% (2018 - 8.6% decrease).

Gross profitability margins have increased from 21.4% to 22.3% during the year as a result of efficiencies realised in the source price of raw material ingredients and growth in the sales portfolio.

Profit before tax has decreased from £254,237 to £237,907.

Shareholders funds amounted to £3,249,129 at the year end.

This report was approved by the board and signed on its behalf.



**S C Bateman**  
Director  
Date: 21 October 2019

## **J. WILD (CONFECTIONERS) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JANUARY 2019**

The directors present their report and the financial statements for the year ended 30 January 2019.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £191,085 (2018 - £204,990).

Interim dividends of £Nil have been paid during the year. The directors have not recommended a final dividend.

#### **Directors**

The directors who served during the year were:

E M Kassapian  
S C Bateman

#### **Future developments**

The directors are not expecting to make any significant changes in the nature of the business in the near future.

#### **Matters covered in the strategic report**

Information is not shown in the directors' report because it is shown in the strategic report instead under s414C(11). The strategic report includes a business review, principal risks and uncertainties and financial key performance indicators.

**J. WILD (CONFECTIONERS) LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JANUARY 2019**

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

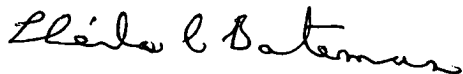
**Post balance sheet events**

On 19 July 2019 the company repurchased and subsequently cancelled 1,384 Ordinary shares of £1 each from its shareholders.

**Auditors**

Under section 487(2) of the Companies Act 2006, Armstrong Watson Audit Limited will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



**S C Bateman**

Director

Date: 21 October 2019

## **J. WILD (CONFECTIONERS) LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J. WILD (CONFECTIONERS) LIMITED**

#### **Opinion**

We have audited the financial statements of J. Wild (Confectioners) Limited (the 'Company') for the year ended 30 January 2019, which comprise the Statement of income and retained earnings, the Statement of financial position, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 January 2019 and of its 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.



## **J. WILD (CONFECTIONERS) LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J. WILD (CONFECTIONERS) LIMITED (CONTINUED)**

We have nothing to report in this regard.

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

#### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**J. WILD (CONFECTIONERS) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J. WILD (CONFECTIONERS) LIMITED  
(CONTINUED)**

**Use of our report**

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.



David Richmond (Senior statutory auditor)  
for and on behalf of

**Armstrong Watson Audit Limited**

Chartered Accountants

Statutory Auditor

Skipton

21 October 2019

**J. WILD (CONFECTIONERS) LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 30 JANUARY 2019**

	Note	2019 £	2018 £
Turnover	4	10,169,103	9,785,792
Cost of sales		<b>(7,899,101)</b>	(7,694,347)
<b>Gross profit</b>		<b>2,270,002</b>	2,091,445
Distribution costs		<b>(847,029)</b>	(813,124)
Administrative expenses		<b>(1,302,630)</b>	(1,090,520)
Other operating income	5	<b>210,384</b>	195,958
<b>Operating profit</b>	6	<b>330,727</b>	383,759
Interest payable and expenses	9	<b>(92,820)</b>	(129,522)
<b>Profit before tax</b>		<b>237,907</b>	254,237
Tax on profit	10	<b>(46,822)</b>	(49,247)
<b>Profit after tax</b>		<b>191,085</b>	204,990
Retained earnings at the beginning of the year		<b>2,937,810</b>	2,732,820
		<b>2,937,810</b>	2,732,820
Profit for the year		<b>191,085</b>	204,990
<b>Retained earnings at the end of the year</b>		<b>3,128,895</b>	2,937,810

The notes on pages 11 to 28 form part of these financial statements.

**J. WILD (CONFECTIONERS) LIMITED**  
**REGISTERED NUMBER: 00355189**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JANUARY 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	12	1,944,818	2,036,708
Investments	13	15	15
Investment property	14	150,000	150,000
		<u>2,094,833</u>	<u>2,186,723</u>
<b>Current assets</b>			
Stocks	15	1,413,978	1,517,412
Debtors: amounts falling due within one year	16	1,279,414	1,614,911
Cash at bank and in hand	17	763,518	396,901
		<u>3,456,910</u>	<u>3,529,224</u>
Creditors: amounts falling due within one year	18	(1,075,614)	(1,326,803)
<b>Net current assets</b>		<u>2,381,296</u>	<u>2,202,421</u>
<b>Total assets less current liabilities</b>		<u>4,476,129</u>	<u>4,389,144</u>
Creditors: amounts falling due after more than one year	19	(993,000)	(1,082,100)
<b>Provisions for liabilities</b>			
Deferred tax	21	(234,000)	(249,000)
		<u>(234,000)</u>	<u>(249,000)</u>
<b>Net assets</b>		<u><u>3,249,129</u></u>	<u><u>3,058,044</u></u>
<b>Capital and reserves</b>			
Called up share capital		5,452	5,452
Investment property reserve	23	114,782	114,782
Profit and loss account	23	3,128,895	2,937,810
		<u><u>3,249,129</u></u>	<u><u>3,058,044</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**S C Bateman**  
Director

Date: 21 October 2019

The notes on pages 11 to 28 form part of these financial statements.

**J. WILD (CONFECTIONERS) LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JANUARY 2019**

	<b>2019 £</b>	<b>2018 £</b>
<b>Cash flows from operating activities</b>		
Profit for the financial year	<b>191,085</b>	204,990
<b>Adjustments for:</b>		
Depreciation of tangible assets	<b>244,063</b>	235,954
Loss on disposal of tangible assets	<b>3,221</b>	(8,950)
Interest paid	<b>92,820</b>	129,522
Taxation charge	<b>46,822</b>	49,247
Decrease/(increase) in stocks	<b>103,434</b>	(91,039)
Decrease in debtors	<b>335,497</b>	309,027
(Decrease) in creditors	<b>(261,190)</b>	(113,868)
Corporation tax (paid)	<b>(51,822)</b>	(49,247)
<b>Net cash generated from operating activities</b>	<b>703,930</b>	665,636
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	<b>(159,838)</b>	(210,584)
Sale of tangible fixed assets	<b>4,445</b>	8,950
<b>Net cash from investing activities</b>	<b>(155,393)</b>	(201,634)
<b>Cash flows from financing activities</b>		
Repayment of other loans	<b>(89,100)</b>	(68,400)
Interest paid	<b>(92,820)</b>	(129,522)
<b>Net cash used in financing activities</b>	<b>(181,920)</b>	(197,922)
<b>Net increase in cash and cash equivalents</b>	<b>366,617</b>	266,080
Cash and cash equivalents at beginning of year	<b>396,901</b>	130,821
<b>Cash and cash equivalents at the end of year</b>	<b>763,518</b>	396,901
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<b>763,518</b>	396,901
	<b>763,518</b>	396,901

The notes on pages 11 to 28 form part of these financial statements.

## **J. WILD (CONFECTIONERS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019**

#### **1. General information**

The principal activity of the company for the year under review was that of a bakery and supplier of confectionery and baked goods from their registered office of The Bakery, Millennium Business Park, Station Road, Steeton, Keighley, BD20 6RB. The company also operates from various retail bakery shops across the Yorkshire region.

The company is a limited liability company incorporated and domiciled in the United Kingdom. The company is a tax resident in the United Kingdom.

The financial statements have been prepared in Pound Sterling as this is the currency of the primary economic environment in which the company operates.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **2.3 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

## **J. WILD (CONFECTIONERS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019**

#### **2. Accounting policies (continued)**

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

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases:

Depreciation is provided on the following basis:

Freehold property	- 4% on cost
Long term leasehold property	- 2% on cost
Plant and machinery	- 15% - 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

##### **2.5 Investment property**

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of income and retained earnings.

##### **2.6 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

##### **2.7 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### **2.8 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

## **J. WILD (CONFECTIONERS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019**

#### **2. Accounting policies (continued)**

##### **2.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

##### **2.10 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

##### **2.11 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.



## **J. WILD (CONFECTIONERS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019**

#### **2. Accounting policies (continued)**

##### **2.12 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

##### **2.13 Finance costs**

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.14 Operating leases: the Company as lessor**

Rentals income from operating leases is credited to the Statement of income and retained earnings on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 31 January 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

##### **2.15 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

## **J. WILD (CONFECTIONERS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019**

#### **2. Accounting policies (continued)**

##### **2.16 Pensions**

###### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.17 Borrowing costs**

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

##### **2.18 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### **2.19 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

## **J. WILD (CONFECTIONERS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019**

#### **2. Accounting policies (continued)**

##### **2.20 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

#### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

There are no key sources of estimation uncertainty in applying accounting policies in the financial statements.

#### **4. Turnover**

The whole of the turnover is attributable to the principal activity of the company. No segmental analysis has been shown, the directors consider that such disclosure would be prejudicial to the business.

All turnover arose within the United Kingdom.

#### **5. Other operating income**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Management charges receivable	<b>158,000</b>	133,000
Rent receivable	<b>52,384</b>	62,958
	<b>210,384</b>	195,958

**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**6. Operating profit**

The operating profit is stated after charging:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	<b>244,062</b>	235,951
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<b>8,150</b>	8,150
Exchange differences	<b>4,452</b>	(3,627)
Other operating lease rentals	<b>67,455</b>	62,800
Defined contribution pension cost	<b>103,731</b>	49,330
	<u><b>          </b></u>	<u><b>          </b></u>

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>3,512,238</b>	3,286,026
Cost of defined contribution scheme	<b>103,731</b>	49,330
	<u><b>3,615,969</b></u>	<u><b>3,335,356</b></u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
Production	<b>137</b>	135
Office and administration	<b>17</b>	16
Distribution	<b>75</b>	75
	<u><b>229</b></u>	<u><b>226</b></u>

**8. Directors' remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Directors' emoluments	<b>21,500</b>	21,500
	<u><b>21,500</b></u>	<u><b>21,500</b></u>

# **J. WILD (CONFECTIONERS) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019**

### **9. Interest payable and similar expenses**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other loan interest payable	<b>92,820</b>	129,522
	<b>92,820</b>	129,522

### **10. Taxation**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Corporation tax</b>		
Current tax on profits for the year	<b>60,000</b>	50,000
Adjustments in respect of previous periods	<b>1,822</b>	(753)
<b>Total current tax</b>	<b>61,822</b>	49,247
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>(15,000)</b>	-
<b>Total deferred tax</b>	<b>(15,000)</b>	-
<b>Taxation on profit on ordinary activities</b>	<b>46,822</b>	49,247

# **J. WILD (CONFECTIONERS) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019**

### **10. Taxation (continued)**

#### **Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	<b>2019 £</b>	<b>2018 £</b>
Profit on ordinary activities before tax	<b>237,907</b>	254,237
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	<b>45,202</b>	48,305
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>4,199</b>	1,049
Depreciation on ineligible	<b>5,494</b>	5,494
Adjustments to tax charge in respect of prior periods	<b>1,822</b>	(753)
Other timing differences leading to an increase (decrease) in taxation	<b>(9,895)</b>	(4,848)
<b>Total tax charge for the year</b>	<b>46,822</b>	49,247

#### **Factors that may affect future tax charges**

There are no factors that may affect future tax charges.

**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**11. Intangible assets**

	<b>Trademarks £</b>	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>			
At 31 January 2018	<b>3,100</b>	<b>25,498</b>	<b>28,598</b>
At 30 January 2019	<b>3,100</b>	<b>25,498</b>	<b>28,598</b>
<b>Amortisation</b>			
At 31 January 2018	<b>3,100</b>	<b>25,498</b>	<b>28,598</b>
At 30 January 2019	<b>3,100</b>	<b>25,498</b>	<b>28,598</b>
<b>Net book value</b>			
At 30 January 2019	-	-	-
At 30 January 2018	-	-	-

**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**12. Tangible fixed assets**

	Freehold property £	Long term leasehold property £	Plant and machinery £	Total £
<b>Cost or valuation</b>				
At 31 January 2018	128,261	1,101,045	4,431,540	5,660,846
Additions	-	-	159,838	159,838
Disposals	-	-	(26,227)	(26,227)
At 30 January 2019	<u>128,261</u>	<u>1,101,045</u>	<u>4,565,151</u>	<u>5,794,457</u>
<b>Depreciation</b>				
At 31 January 2018	30,780	421,142	3,172,216	3,624,138
Charge for the year on owned assets	5,130	22,020	216,912	244,062
Disposals	-	-	(18,561)	(18,561)
At 30 January 2019	<u>35,910</u>	<u>443,162</u>	<u>3,370,567</u>	<u>3,849,639</u>
<b>Net book value</b>				
At 30 January 2019	<u>92,351</u>	<u>657,883</u>	<u>1,194,584</u>	<u>1,944,818</u>
At 30 January 2018	<u>97,481</u>	<u>679,903</u>	<u>1,259,324</u>	<u>2,036,708</u>



**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**13. Fixed asset investments**

	<b>Investments in subsidiary companies £</b>	<b>Unlisted investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 31 January 2018	<b>1</b>	<b>14</b>	<b>15</b>
At 30 January 2019	<b>1</b>	<b>14</b>	<b>15</b>

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
Salts Village Bakery Limited	Dormant Company	Ordinary	100%

The aggregate of the share capital and reserves as at 30 January 2019 and the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves</b>
Salts Village Bakery Limited	<b>13,357</b>

**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**14. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 31 January 2018	<b>150,000</b>
<b>At 30 January 2019</b>	<b>150,000</b>
<b>Comprising</b>	
Cost	<b>6,218</b>
Annual revaluation surplus/(deficit):	
2013	<b>80,000</b>
2016	<b>63,782</b>
<b>At 30 January 2019</b>	<b>150,000</b>

The 2019 valuations were made by the directors, on an open market value for existing use basis.

The directors are of the opinion that the value of the investment property, on the basis of open market value, is not materially different from the balance sheet amount. The directors therefore do not consider that any further revaluation adjustment is required at 30 January 2019.

The above assets are held for use in operating leases.

**15. Stocks**

	<b>2019 £</b>	<b>2018 £</b>
Raw materials and consumables	<b>1,119,404</b>	1,205,083
Finished goods and goods for resale	<b>294,574</b>	312,329
	<b>1,413,978</b>	1,517,412

Stock recognised in cost of sales during the year as an expense was £5,049,320 (2018 - £5,023,763).

**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**16. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>845,813</b>	1,170,752
Other debtors	<b>395,550</b>	371,221
Prepayments and accrued income	<b>38,051</b>	72,938
	<b><u>1,279,414</u></b>	<b><u>1,614,911</u></b>

**17. Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>763,518</b>	396,901
	<b><u>763,518</u></b>	<b><u>396,901</u></b>

**18. Creditors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other loans	<b>90,000</b>	90,000
Trade creditors	<b>347,358</b>	415,198
Corporation tax	<b>60,000</b>	50,000
Other taxation and social security	<b>43,818</b>	29,282
Other creditors	<b>534,438</b>	742,323
	<b><u>1,075,614</u></b>	<b><u>1,326,803</u></b>

The following liabilities were secured:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other loans	<b>90,000</b>	90,000
	<b><u>90,000</u></b>	<b><u>90,000</u></b>

Details of security provided:

Other loans due within one year are secured by legal charges over various of the company's freehold properties and by way of a charge over the leasehold property known as The Bakery, Millennium Business Park, Station Road, Steeton.

The above loan accrues interest at various commercial rates. Interest paid during the year amounted to £84,299 (2018 - £123,802).

**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**19. Creditors: Amounts falling due after more than one year**

	<b>2019 £</b>	<b>2018 £</b>
Other loans	<b>993,000</b>	1,082,100
	<b>993,000</b>	1,082,100

Other loans due over one year are secured by legal charges over various of the company's freehold properties and by way of a charge over the leasehold property known as The Bakery, Millennium Business Park, Station Road, Steeton.

The above loan accrues interest at various commercial rates. Interest paid during the year amounted to £84,299 (2018 - £123,802).

**20. Loans**

Analysis of the maturity of loans is given below:

	<b>2019 £</b>	<b>2018 £</b>
<b>Amounts falling due within one year</b>		
Other loans	<b>90,000</b>	90,000
	<b>90,000</b>	90,000
<b>Amounts falling due 1-2 years</b>		
Other loans	<b>90,000</b>	90,000
	<b>90,000</b>	90,000
<b>Amounts falling due 2-5 years</b>		
Other loans	<b>270,000</b>	270,000
<b>Amounts falling due after more than 5 years</b>		
Other loans	<b>633,000</b>	722,100
	<b>1,083,000</b>	1,172,100

**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**21. Deferred taxation**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
At beginning of year	<b>249,000</b>	249,000
Amounts used during the year	<b>15,000</b>	-
<b>At end of year</b>	<b>234,000</b>	249,000

The provision for deferred taxation is made up as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<b>205,000</b>	220,000
Deferred tax on revaluation of investment property	<b>29,000</b>	29,000
	<b>234,000</b>	249,000

**22. Share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
5,452 (2018 - 5,452) Ordinary shares of £1.00 each	<b>5,452</b>	5,452

**23. Reserves**

**Investment property revaluation reserve**

This reserve arises on the revaluation of the investment property held by the company. The reserve is held net of deferred taxation at the prevailing rate at the statement of financial position date.

**24. Capital commitments**

At 30 January 2019 the Company had capital commitments as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided in these financial statements	<b>25,000</b>	-
	<b>25,000</b>	-

## J. WILD (CONFECTIONERS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2019

#### 25. Pension commitments

The company operates a defined contributions 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 and amounted to £103,731 (2018 - £49,330).

#### 26. Commitments under operating leases

At 30 January 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	28,895	16,095
Later than 1 year and not later than 5 years	79,260	56,955
	<u>108,155</u>	<u>73,050</u>

#### 27. Related party transactions

S C Bateman is a partner in Grandma Wilds partnership, a biscuit distributor. At the balance sheet date, included in other creditors, is an amount of £110,756 (2018 - £325,268) due to Grandma Wilds partnership. The balance is interest free and repayable on demand.

S C Bateman and E M Kassapian are directors and shareholders in Vilette Coffee House Limited. During the year management charges of £25,000 (2018 - £27,000) were received from Vilette Coffee House Limited. At the balance sheet date, included in other creditors due within one year, is an amount of £51,560 (2018 - £51,560) due to Vilette Coffee House Limited. This amount is interest free and repayable on demand.

Included in creditors amounts falling due within one year is an amount of £51,377 (2018 - £50,797) due to S C Bateman. This amount is repayable on demand. Interest is charged at a commercial rate.

Included in creditors amounts falling due within one year is an amount of £46,968 (2018 - £46,968) due to E M Kassapian. This amount is interest free and repayable on demand. During the year consultancy fees of £6,500 (2018 - £6,500) were paid to E M Kassapian.

Included in creditors amounts falling due within one year is an amount of £31,114 (2018 - £31,114) due to S-J Kassapian, who is the son of E M Kassapian and a partner in the Grandma Wilds partnership. This amount is repayable on demand. Interest is charged at a commercial rate.

Included in creditors due within one year is an amount of £90,000 (2018 - £90,000) due to Well Baked Limited, a company incorporated in the Isle of Man, of which E M Kassapian is a director. The balance accrues interest at various interest free and commercial rates. Total interest paid during the year amounted to £84,299 (2018 - £123,802).

Included in creditors due over one year is an amount of £993,000 (2018 - £1,082,100) due to Well Baked Limited, a company incorporated in the Isle of Man, of which E M Kassapian is a director. The balance accrues interest at various interest free and commercial rates. Total interest paid during the year amounted to £84,299 (2018 - £123,802).

During the year the company operated from properties owned by E M Kassapian, S C Bateman and Grandma Wilds partnership. The rental charged for these properties was £NIL (2018 - £NIL).

**J. WILD (CONFECTIONERS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JANUARY 2019**

**28. Post balance sheet events**

On 19 July 2019 the company repurchased and subsequently cancelled 1,384 Ordinary shares of £1 each from its shareholders.