

W.E. Deane Limited
Financial Statements
31 July 2018



SHAW WALLACE
Chartered accountants & statutory auditor
43 Manchester Street
London
W1U 7LP

W.E. Deane Limited
Financial Statements
Year ended 31 July 2018

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W.E. Deane Limited

Directors' Report

Year ended 31 July 2018

The directors present their report and the financial statements of the company for the year ended 31 July 2018.

Directors

The directors who served the company during the year were as follows:

R A Falconer Snr

C M Fitch

R A Falconer Jnr

D H Fieldman

Mrs J R Brown

(Resigned 28 June 2018)

Directors' responsibilities statement

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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

W.E. Deane Limited
Directors' Report *(continued)*
Year ended 31 July 2018

This report was approved by the board of directors on 30 April 2019 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'R A Falconer Jnr', written over a horizontal line.

R A Falconer Jnr
Director

Registered office:
47 Marylebone Lane
London
W1U 2NT

W.E. Deane Limited

Independent Auditor's Report to the Members of W.E. Deane Limited

Year ended 31 July 2018

Opinion

We have audited the financial statements of W.E. Deane Limited (the 'company') for the year ended 31 July 2018 which comprise the statement of income and retained earnings, statement of financial position 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 FRS 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 31 July 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 auditor's 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 UK, including the FRC'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.

W.E. Deane Limited

Independent Auditor's Report to the Members of W.E. Deane Limited (continued)

Year ended 31 July 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

We have nothing to report in this regard.

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

W.E. Deane Limited

Independent Auditor's Report to the Members of W.E. Deane Limited *(continued)*

Year ended 31 July 2018

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

Auditor's 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 auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

W.E. Deane Limited

Independent Auditor's Report to the Members of W.E. Deane Limited *(continued)*

Year ended 31 July 2018

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Hitesh Gadhia (Senior Statutory Auditor)

For and on behalf of
Shaw Wallace
Chartered accountants & statutory auditor
43 Manchester Street
London
W1U 7LP

30 April 2019

W.E. Deane Limited
Statement of Income and Retained Earnings
Year ended 31 July 2018

	Note	2018 £	2017 £
Turnover		10,332,958	9,910,550
Cost of sales		<u>(7,358,598)</u>	<u>(7,617,749)</u>
Gross profit		2,974,360	2,292,801
Administrative expenses		<u>(3,372,993)</u>	<u>(2,453,026)</u>
Operating loss		(398,633)	(160,225)
Interest payable and similar expenses		<u>(16,452)</u>	<u>(15,926)</u>
Loss before taxation	6	(415,085)	(176,151)
Tax on loss		<u>(4,750)</u>	<u>6,159</u>
Loss for the financial year and total comprehensive income		<u>(419,835)</u>	<u>(169,992)</u>
Retained earnings at the start of the year		187,101	357,093
Retained (losses)/earnings at the end of the year		<u>(232,734)</u>	<u>187,101</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 16 form part of these financial statements.

W.E. Deane Limited
Statement of Financial Position
31 July 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	7	266,205	215,462
Investments	8	<u>500</u>	<u>500</u>
		266,705	215,962
Current assets			
Debtors	9	1,911,376	1,851,562
Cash at bank and in hand		<u>104,517</u>	<u>9,991</u>
		2,015,893	1,861,553
Creditors: amounts falling due within one year	10	<u>2,438,474</u>	<u>1,817,833</u>
Net current (liabilities)/assets		(422,581)	43,720
Total assets less current liabilities		(155,876)	259,682
Creditors: amounts falling due after more than one year	11	20,183	25,656
Provisions			
Taxation including deferred tax		(165,825)	(170,575)
Other provisions		<u>105,000</u>	<u>100,000</u>
		(60,825)	(70,575)
Net (liabilities)/assets		(115,234)	304,601
Capital and reserves			
Called up share capital		70,000	70,000
Capital redemption reserve		47,500	47,500
Profit and loss account		<u>(232,734)</u>	<u>187,101</u>
Shareholders (deficit)/funds		(115,234)	304,601

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The statement of financial position
continues on the following page.
The notes on pages 10 to 16 form part of these financial statements.

W.E. Deane Limited

Statement of Financial Position *(continued)*

31 July 2018

These financial statements were approved by the board of directors and authorised for issue on 30 April 2019, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'R A Falconer Jnr', written over a large, loopy oval shape.

R A Falconer Jnr
Director

Company registration number: 00768571

The notes on pages 10 to 16 form part of these financial statements.

W.E. Deane Limited
Notes to the Financial Statements
Year ended 31 July 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 47 Marylebone Lane, London, W1U 2NT.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of W. E. Deane Holdings Limited which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

W.E. Deane Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

(a) Significant judgements

No critical accounting judgement was made by management in the process of applying the group and company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

No critical sources of estimation uncertainty were made by management in the process of applying the company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

W.E. Deane Limited

Notes to the Financial Statements (continued)

Year ended 31 July 2018

3. Accounting policies (continued)

Tangible assets (continued)

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold premises	-	Over the lease term
Plant and machinery	-	Over 3 - 9 years
Motor vehicles	-	20% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset.

Provisions for dilapidations are recognised on a lease by lease basis and are based on the company's best estimate of the likely committed cash outflow spread over the remaining term of the lease.

W.E. Deane Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Auditor's remuneration

	2018 £	2017 £
Fees payable for the audit of the financial statements	<u>15,000</u>	<u>16,000</u>

5. Employee numbers

The average number of persons employed by the company during the year amounted to 56 (2017: 41).

6. Profit before taxation

Profit before taxation is stated after charging:

	2018 £	2017 £
Depreciation of tangible assets	<u>63,143</u>	<u>48,482</u>

7. Tangible assets

	Leasehold premises £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 August 2017	278,680	982,117	47,884	1,308,681
Additions	–	78,723	35,164	113,887
Disposals	–	–	(17,823)	(17,823)
At 31 July 2018	<u>278,680</u>	<u>1,060,840</u>	<u>65,225</u>	<u>1,404,745</u>
Depreciation				
At 1 August 2017	217,230	839,053	36,936	1,093,219
Charge for the year	11,147	44,216	7,780	63,143
Disposals	–	–	(17,822)	(17,822)
At 31 July 2018	<u>228,377</u>	<u>883,269</u>	<u>26,894</u>	<u>1,138,540</u>
Carrying amount				
At 31 July 2018	<u>50,303</u>	<u>177,571</u>	<u>38,331</u>	<u>266,205</u>
At 31 July 2017	<u>61,450</u>	<u>143,064</u>	<u>10,948</u>	<u>215,462</u>

W.E. Deane Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

7. Tangible assets *(continued)*

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £
At 31 July 2018	<u>51,275</u>
At 31 July 2017	<u>51,275</u>

8. Investments

	Other investments other than loans £
Cost	
At 1 August 2017 and 31 July 2018	<u>500</u>
Impairment	
At 1 August 2017 and 31 July 2018	<u>—</u>
Carrying amount	
At 31 July 2018	<u>500</u>
At 31 July 2017	<u>500</u>

9. Debtors

	2018 £	2017 £
Trade debtors	1,416,997	1,453,563
Amounts owed by group undertakings and undertakings in which the company has a participating interest	114,961	64,876
Other debtors	<u>379,418</u>	<u>333,123</u>
	<u>1,911,376</u>	<u>1,851,562</u>

10. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	384,414	161,236
Trade creditors	1,586,748	1,290,839
Social security and other taxes	34,124	36,991
Other creditors	<u>433,188</u>	<u>328,767</u>
	<u>2,438,474</u>	<u>1,817,833</u>

W.E. Deane Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

10. Creditors: amounts falling due within one year *(continued)*

Bank loans are secured by fixed and floating charges over the assets of the company. Hire purchase agreements are secured on the respective assets.

11. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	<u>20,183</u>	<u>25,656</u>

12. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	469,198	469,198
Later than 1 year and not later than 5 years	<u>1,657,326</u>	<u>1,657,326</u>
	<u>2,126,524</u>	<u>2,126,524</u>

13. Contingencies

Bonds, guarantees, indemnities and other undertakings given by the company in favour of third parties amounted to £405,000 at 31 July 2018 (2017: £405,000).

14. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2018		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
R A Falconer Snr	31,040	–	31,040
R A Falconer Jnr	–	3,763	3,763
	<u>31,040</u>	<u>3,763</u>	<u>34,803</u>

	2017		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
R A Falconer Snr	30,085	955	31,040
R A Falconer Jnr	–	–	–
	<u>30,085</u>	<u>955</u>	<u>31,040</u>

W.E. Deane Limited

Notes to the Financial Statements *(continued)*

Year ended 31 July 2018

15. Related party transactions

During the year, the company purchased services of £137,105 (2017: £221,442) from and provided services of £97,368 (2017: £44,269) to its subsidiary W.E. Deane S.A. (Pty) Limited. At the year end the company owed an amount of £77,166.(2017: £106,402) to W.E. Deane S.A. (Pty) Limited.

The company has taken advantage of the exemption granted by paragraph 33.1(a) of FRS102, Related Party Disclosures, not to disclose transactions with group companies which are wholly owned subsidiaries of the group.

16. Controlling party

The immediate and ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is W.E. Deane Holdings Limited, a company registered in England and Wales. Copies of the W.E. Deane Holdings Limited consolidated financial statements are publically available at Companies House.