

REGISTERED NUMBER: 03605607 (England and Wales)

**Report of the Directors and
Financial Statements
for the Period 1 August 2010 to 31 December 2011
for
Henley Bridge Ingredients Limited**

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**Contents of the Financial Statements
for the Period 1 August 2010 to 31 December 2011**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	9

Henley Bridge Ingredients Limited

**Company Information
for the Period 1 August 2010 to 31 December 2011**

DIRECTORS:

A C Mycock
Mrs K Mycock
C A Martin
T St John

SECRETARY:

Mrs K Mycock

REGISTERED OFFICE:

Bank Chambers
61 High Street
Cranbrook
Kent
TN17 3EG

REGISTERED NUMBER:

03605607 (England and Wales)

AUDITORS:

McCabe Ford Williams
Statutory Auditors and
Chartered Accountants
Bank Chambers
61 High Street
Cranbrook
Kent
TN17 3EG

Henley Bridge Ingredients Limited

Report of the Directors for the Period 1 August 2010 to 31 December 2011

The directors present their report with the financial statements of the company for the period 1 August 2010 to 31 December 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of procuring and supplying food ingredients to industry

REVIEW OF BUSINESS

At the beginning of the financial period in August 2010, the company successfully relocated the business from Uckfield to Lewes. This incurred significant investment in fitting out the warehouse and offices to ensure capacity for future growth and, at the same time, we also took the opportunity to set up a 'Chocademy'. This facility is used for running courses and training for customers and other interested parties. In addition, it is used for staff training and for suppliers providing product and application training. Relocating to the new larger premises (c 21,000 sq ft) also gave us the opportunity to build and formalise quality and business systems, which enabled us to attain BRC Accreditation for Storage and Distribution, which we achieved in December 2011.

For operational reasons, it was decided to alter our financial year resulting in this reporting period being 17 months versus 12 months for the last financial year. Historically, our reporting periods ended at the end of July which originated from the company being incorporated in July 1998. Our business is fairly constant throughout the year with minimal peaks or troughs and so it made more business sense to transfer the year end to 31 December. The food industry generally slows right down between Christmas and New Year and so having the cut off at this time will enable us to use the natural break in sales and purchases to better manage a clean year end cut off.

During the course of the year, we reviewed our organisational structure and increased our head count to 37 - we now have 4 Account Managers spread nationally and have split the Customer Services Team so that we now have two dedicated internal sales people focussed on supporting the account managers and pro-actively selling. The Web Shop is now well established with significant and growing pre-paid sales volumes to smaller customers.

The last 17 months has been a period of consolidation and growth for the company, although this has naturally been accompanied by increased overheads. However, despite ingredient price volatility and a challenging economy, sales have continued to grow, on a pro rata basis by around 24%, although our overall percentage gross profit fell slightly to 19.75%.

The outlook for the coming financial year is very positive with further budgeted growth of around 18%, whilst still maintaining the gross profit percentage. Given the overall infrastructure and staffing levels, we now have the platform to continue growing the business in the coming years with minimal increase to direct overhead costs.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2010 to the date of this report.

A C Mycock
Mrs K Mycock
C A Martin
T St John

Henley Bridge Ingredients Limited

Report of the Directors for the Period 1 August 2010 to 31 December 2011

POLITICAL AND CHARITABLE CONTRIBUTIONS

Our sponsorship of the Grenada Organic Cocoa Farmers Co-operative (incorporating The Grenada Chocolate Company) continues through indirect support and with storage and distribution of their retail products throughout the EU

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

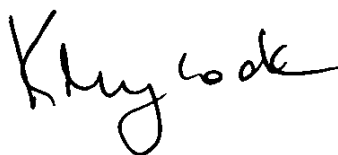
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware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

AUDITORS

The auditors, McCabe Ford Williams, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



Mrs K Mycock - Secretary

19 March 2012

Report of the Independent Auditors to the Members of Henley Bridge Ingredients Limited

We have audited the financial statements of Henley Bridge Ingredients Limited for the period ended 31 December 2011 on pages six to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Members of
Henley Bridge Ingredients Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, 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' exemption in preparing the Report of the Directors



David Boobbyer FCA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and
Chartered Accountants
Bank Chambers
61 High Street
Cranbrook
Kent
TN17 3EG

19 March 2012

Henley Bridge Ingredients Limited

Profit and Loss Account for the Period 1 August 2010 to 31 December 2011

	Notes	Period 1 8 10 to 31 12 11 £	Year Ended 31 7 10 £
TURNOVER		13,224,858	7,503,480
Cost of sales		<u>10,610,446</u>	<u>5,886,856</u>
GROSS PROFIT		2,614,412	1,616,624
Administrative expenses		<u>2,233,196</u>	<u>1,273,806</u>
		381,216	342,818
Other operating income		<u>26,635</u>	<u>5,984</u>
OPERATING PROFIT	2	407,851	348,802
Interest receivable and similar income		<u>-</u>	<u>3</u>
		407,851	348,805
Interest payable and similar charges		<u>31,200</u>	<u>5,536</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		376,651	343,269
Tax on profit on ordinary activities	3	<u>72,687</u>	<u>81,289</u>
PROFIT FOR THE FINANCIAL PERIOD		303,964	261,980
Retained profit brought forward		<u>64,683</u>	<u>68,453</u>
		368,647	330,433
Dividends	4	<u>(302,125)</u>	<u>(265,750)</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>66,522</u></u>	<u><u>64,683</u></u>

The notes form part of these financial statements

Henley Bridge Ingredients Limited

**Balance Sheet
31 December 2011**

	Notes	31 12 11 £	£	31 12 10 £	£
FIXED ASSETS					
Tangible assets	5		335,824		278,489
CURRENT ASSETS					
Stocks		914,319		1,084,425	
Debtors	6	1,820,338		1,352,886	
Cash at bank and in hand		<u>29,217</u>		<u>23,285</u>	
		2,763,874		2,460,596	
CREDITORS					
Amounts falling due within one year	7	<u>2,864,142</u>		<u>2,647,817</u>	
NET CURRENT LIABILITIES			(100,268)		(187,221)
TOTAL ASSETS LESS CURRENT LIABILITIES			235,556		91,268
CREDITORS					
Amounts falling due after more than one year	8		(140,958)		-
PROVISIONS FOR LIABILITIES	11		<u>(27,876)</u>		<u>(26,385)</u>
NET ASSETS			<u>66,722</u>		<u>64,883</u>
CAPITAL AND RESERVES					
Called up share capital	12		200		200
Profit and loss account			<u>66,522</u>		<u>64,683</u>
SHAREHOLDERS' FUNDS			<u>66,722</u>		<u>64,883</u>

The notes form part of these financial statements

Henley Bridge Ingredients Limited

Balance Sheet - continued
31 December 2011

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 19 March 2012 and were signed on its behalf by


A C Mycock - Director


C A Martin - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Period 1 August 2010 to 31 December 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Leasehold property	- Over period of lease
Improvements to leasehold property	- Over period of lease
Plant and machinery	- 15% on reducing balance
Fixtures, fittings and equipment	- straight line basis between 3 & 10 years
Motor vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred tax

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

Foreign currencies

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

2 OPERATING PROFIT

The operating profit is stated after charging

	Period 1 8 10 to 31 12 11 £	Year Ended 31 7 10 £
Depreciation - owned assets	104,554	44,653
Loss on disposal of fixed assets	3,544	38,885
Auditors' remuneration	<u>16,000</u>	<u>8,000</u>
Directors' remuneration and other benefits etc	<u>103,878</u>	<u>64,794</u>

Notes to the Financial Statements - continued
for the Period 1 August 2010 to 31 December 2011

3 TAXATION

Analysis of the tax charge

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

	Period 1 8 10 to 31 12 11 £	Year Ended 31 7 10 £
Current tax		
UK corporation tax	71,196	71,981
Deferred tax		
Accelerated capital allowances	<u>1,491</u>	<u>9,308</u>
Tax on profit on ordinary activities	<u><u>72,687</u></u>	<u><u>81,289</u></u>

4 DIVIDENDS

	Period 1 8 10 to 31 12 11 £	Year Ended 31 7 10 £
Ordinary 'A' shares of £1 each Interim	113,000	108,000
Ordinary 'B' shares of £1 each Interim	<u>189,125</u>	<u>157,750</u>
	<u><u>302,125</u></u>	<u><u>265,750</u></u>

Notes to the Financial Statements - continued
for the Period 1 August 2010 to 31 December 2011

5 TANGIBLE FIXED ASSETS

	Leasehold property £	Improvements to leasehold property £	Plant and machinery £
COST			
At 1 August 2010	15,581	75,573	86,904
Additions	1,470	84,661	15,923
Disposals	-	-	(1,100)
At 31 December 2011	<u>17,051</u>	<u>160,234</u>	<u>101,727</u>
DEPRECIATION			
At 1 August 2010	-	630	16,462
Charge for period	2,684	24,033	18,381
Eliminated on disposal	-	-	-
At 31 December 2011	<u>2,684</u>	<u>24,663</u>	<u>34,843</u>
NET BOOK VALUE			
At 31 December 2011	<u>14,367</u>	<u>135,571</u>	<u>66,884</u>
At 31 July 2010	<u>15,581</u>	<u>74,943</u>	<u>70,442</u>

Notes to the Financial Statements - continued
for the Period 1 August 2010 to 31 December 2011

5 TANGIBLE FIXED ASSETS - continued

	Fixtures, fittings and equipment £	Motor vehicles £	Totals £
COST			
At 1 August 2010	191,644	40,350	410,052
Additions	54,040	13,539	169,633
Disposals	-	(19,050)	(20,150)
At 31 December 2011	<u>245,684</u>	<u>34,839</u>	<u>559,535</u>
DEPRECIATION			
At 1 August 2010	97,155	17,316	131,563
Charge for period	50,141	9,315	104,554
Eliminated on disposal	-	(12,406)	(12,406)
At 31 December 2011	<u>147,296</u>	<u>14,225</u>	<u>223,711</u>
NET BOOK VALUE			
At 31 December 2011	<u>98,388</u>	<u>20,614</u>	<u>335,824</u>
At 31 July 2010	<u>94,489</u>	<u>23,034</u>	<u>278,489</u>

6 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11 £	31 7 10 £
Trade debtors	1,483,584	1,199,374
Other debtors	336,754	153,512
	<u>1,820,338</u>	<u>1,352,886</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11 £	31 7 10 £
Bank loans and overdrafts	42,042	-
Trade creditors	1,332,511	1,518,339
Taxation and social security	110,631	90,744
Other creditors	1,378,958	1,038,734
	<u>2,864,142</u>	<u>2,647,817</u>

Henley Bridge Ingredients Limited

Notes to the Financial Statements - continued for the Period 1 August 2010 to 31 December 2011

8 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 11	31 7 10
	£	£
Bank loans	<u>140,958</u>	<u>-</u>

9 OPERATING LEASE COMMITMENTS

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

	31 12 11	31 7 10
	£	£
Expiring		
Within one year	349	-
Between one and five years	14,827	6,252
In more than five years	<u>117,525</u>	<u>117,525</u>
	<u>132,701</u>	<u>123,777</u>

10 SECURED DEBTS

The following secured debts are included within creditors

	31 12 11	31 7 10
	£	£
Invoice discounting	<u>1,320,201</u>	<u>1,008,719</u>

Lloyds TSB Commercial Finance Limited hold a fixed and floating charge dated 22 May 2006 over all property and assets of the company

11 PROVISIONS FOR LIABILITIES

	31 12 11	31 7 10
	£	£
Deferred tax	<u>27,876</u>	<u>26,385</u>
		Deferred tax
		£
Balance at 1 August 2010		26,385
Accelerated capital allowances		<u>1,491</u>
Balance at 31 December 2011		<u>27,876</u>

Henley Bridge Ingredients Limited

Notes to the Financial Statements - continued for the Period 1 August 2010 to 31 December 2011

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	31.12.11 £	31.7.10 £
100	Ordinary 'A'	£1	100	100
100	Ordinary 'B'	£1	<u>100</u>	<u>100</u>
			<u>200</u>	<u>200</u>

13 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the period ended 31 December 2011 and the year ended 31 July 2010

	31.12.11 £	31.7.10 £
A C Mycock		
Balance outstanding at start of period	-	-
Amounts advanced	5,000	-
Amounts repaid	(50)	-
Balance outstanding at end of period	<u>4,950</u>	<u>-</u>
Mrs K Mycock		
Balance outstanding at start of period	-	-
Amounts advanced	5,000	-
Amounts repaid	(87)	-
Balance outstanding at end of period	<u>4,913</u>	<u>-</u>

14 ULTIMATE CONTROLLING PARTY

The company is controlled by Mr and Mrs Mycock by virtue of their majority shareholding