

COMPANY REGISTRATION NUMBER 04893821

SFC (Wholesale) Limited
Abbreviated Accounts
30 September 2012

CHAMPION ACCOUNTANTS LLP

Chartered Accountants & Statutory Auditor
4 Nile Close
Nelson Court Business Centre
Riversway
Preston
Lancashire
PR2 2XU

SATURDAY



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COMPANIES HOUSE

SFC (Wholesale) Limited
Abbreviated Accounts
Year Ended 30 September 2012

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SFC (Wholesale) Limited

The Directors' Report

Year Ended 30 September 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 September 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was of a wholesaler and retailer of chicken and fish products

The directors took the decision at the start of the year to split some product lines in to a separate related company therefore reducing the turnover generated by the Company. Turnover for the period is £10,830,670 compared to £27,701,941 in the period to 2011. The main reasons behind this apparent drop are the fact that this year represents a 12 month period in comparison to an 18 month period in 2011. As also mentioned the separation of some product lines means turnover has been reduced by moving sales in to a related company. The increased focus on better performing products has resulted in an increased gross profit margin being achieved during the year.

Operating profit has decreased to £312,673 from £335,586 and this is after contributions of £600,000 to Employer Funded Retirement Benefit Schemes.

The company has been able to make efficiency savings resulting in an improved gross profit percentage of 16.7% up from 12.1% in 2011.

In general the Directors consider the company's trading performance to be satisfactory. The company's markets remain extremely strong and the company has adequate finance available to take advantage of future opportunities.

The Directors consider the company's state of affairs to be satisfactory.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £237,233. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risks facing the business are assessed on an ongoing basis by the directors. They evaluate the likelihood and potential impact of each risk, whether it be interest rate risk, liquidity risk or foreign currency risk and ensure appropriate action is taken to mitigate them.

DIRECTORS

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

Mr G R Hanson

Mr G A Nuttall

SFC (Wholesale) Limited

The Directors' Report *(continued)*

Year Ended 30 September 2012

DIRECTORS' RESPONSIBILITIES

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

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

In preparing those 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

DONATIONS

During the year the company made the following contributions

	Year to 30 September 2012 £	Period from 1 April 2010 to 30 September 2011 £
Charitable	<u>2,795</u>	<u>5,064</u>

SFC (Wholesale) Limited

The Directors' Report *(continued)*

Year Ended 30 September 2012

AUDITOR

Champion Accountants LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
71-73 Houghton Street
Southport
Merseyside
PR9 0PR

Signed on behalf of the directors



Mr G R Hanson

Director

Approved by the directors on 30 July 2013

SFC (Wholesale) Limited

Independent Auditor's Report to SFC (Wholesale) Limited

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 17, together with the financial statements of SFC (Wholesale) Limited for the year ended 30 September 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Champion Accountants LLP

MARK TURNER FCA (Senior
Statutory Auditor)
For and on behalf of
CHAMPION ACCOUNTANTS LLP
Chartered Accountants
& Statutory Auditor

4 Nile Close
Nelson Court Business Centre
Riversway
Preston
Lancashire
PR2 2XU

30 July 2013

SFC (Wholesale) Limited
Abbreviated Profit and Loss Account
Year Ended 30 September 2012

		Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Turnover	Note	10,830,630	27,701,941
Cost of Sales and Other operating income		(9,023,557)	(24,343,545)
Direct sales costs		(17,834)	(516,816)
Administrative expenses		(1,476,566)	(2,505,994)
Operating Profit	2	312,673	335,586
Interest receivable		224	—
Interest payable and similar charges	5	(1,412)	(1,912)
Profit on Ordinary Activities Before Taxation		311,485	333,674
Tax on profit on ordinary activities	6	(74,252)	(73,745)
Profit for the Financial Year		237,233	259,929

All of the activities of the company are classed as continuing

The notes on pages 9 to 17 form part of these abbreviated accounts.

SFC (Wholesale) Limited

Reconciliation of Movements in Shareholders' Funds

Year Ended 30 September 2012

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Profit for the financial year	237,233	259,929
Opening shareholders' funds	1,191,025	931,096
Closing shareholders' funds	<u>1,428,258</u>	<u>1,191,025</u>

The notes on pages 9 to 17 form part of these abbreviated accounts.

SFC (Wholesale) Limited

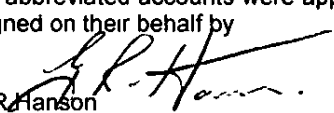
Abbreviated Balance Sheet

30 September 2012

	Note	2012 £	£	2011 £	£
Fixed Assets					
Intangible assets	7		14,844		11,336
Tangible assets	8		16,708		35,716
			<u>31,552</u>		<u>47,052</u>
Current Assets					
Stocks	9	1,116,807		2,225,173	
Debtors	10	2,331,489		2,651,820	
Cash at bank		1,417,756		283,650	
		<u>4,866,052</u>		<u>5,160,643</u>	
Creditors. Amounts Falling due Within One Year	11	<u>3,469,346</u>		<u>4,016,670</u>	
Net Current Assets			<u>1,396,706</u>		<u>1,143,973</u>
Total Assets Less Current Liabilities			<u>1,428,258</u>		<u>1,191,025</u>
Capital and Reserves					
Called-up equity share capital	13		100		100
Profit and loss account	14		1,428,158		1,190,925
Shareholders' Funds			<u>1,428,258</u>		<u>1,191,025</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 30 July 2013, and are signed on their behalf by


Mr G R Hanson
Director

Company Registration Number 04893821

The notes on pages 9 to 17 form part of these abbreviated accounts.

SFC (Wholesale) Limited

Cash Flow Statement

Year Ended 30 September 2012

		Year to		Period from	
	Note	30 Sep 12		1 Apr 10 to	
		£	£	30 Sep 11	£
Net Cash Inflow from Operating Activities	15	2,079,192		714,448	
Returns on Investments and Servicing of Finance	15	(1,188)		(1,912)	
Taxation	15	(72,980)		(94,151)	
Capital Expenditure and Financial Investment	15	(4,552)		(37,627)	
Increase in Cash	15	<u>2,000,472</u>		<u>580,758</u>	

SFC (Wholesale) Limited
Notes to the Abbreviated Accounts
Year Ended 30 September 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Turnover

Turnover is recognised consistently with the right to receive consideration in exchange for the performance of supplying services and goods

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Goodwill - Depreciated over 5 years

Depreciation

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

Fixtures & Fittings	- 33% on cost
Motor Vehicles	- 25% on cost
Equipment	- 33% on cost

Stocks

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

Deferred taxation

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

SFC (Wholesale) Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2012

1 ACCOUNTING POLICIES *(continued)*

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Invoice discounting

The company discounts its trade debts. The policy is to include trade debts within current assets as trade debtors and to record cash advances within creditors due within one year. Discounting fees and interest are charged to the profit and loss account when incurred. Bad debts are borne by the company and are charged to the profit and loss account when incurred.

Employer Financed Retirement Benefit Schemes (EFRBS)

During the current accounting period the Company made an additional contribution to a previously established employer financed retirement benefit scheme for the benefit of its officers, employees and their wider families, The SFC (Wholesale) Ltd 2011 EFRBS ("the Scheme").

In accordance with UITF Abstract 32 "Employee Benefit Trusts and other intermediate payment arrangements" the Company does not include the assets and liabilities of the Scheme on its balance sheet to the extent that it considers that it will not retain any future economic benefit from the assets of the Scheme and will not have control of the rights or other access to those future economic benefits.

SFC (Wholesale) Limited
Notes to the Abbreviated Accounts
Year Ended 30 September 2012

2. OPERATING PROFIT

Operating profit is stated after charging

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Employer Financed Retirement Benefit Scheme Contribution	600,000	750,200
Depreciation of owned fixed assets	20,052	34,590
Auditor's remuneration		
- as auditor	5,000	7,250
- for other services	4,245	41,156

Auditor's fees

The fees charged by the auditor can be further analysed under the following headings for services rendered

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Audit	5,000	7,250
Accountancy	1,500	6,500
Taxation	250	500
Business consultancy	2,495	34,156
	<u>9,245</u>	<u>48,406</u>

SFC (Wholesale) Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2012

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	Year to 30 Sep 12 No	Period from 1 Apr 10 to 30 Sep 11 No
Number of distribution staff	–	1
Number of administrative staff	2	7
Number of management staff	1	2
Number of other staff - sales	–	6
Number of other staff - logistics	1	1
	<u>4</u>	<u>17</u>

The aggregate payroll costs of the above were

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Wages and salaries	883,855	1,829,901
Social security costs	–	–
	<u>883,855</u>	<u>1,829,901</u>

4. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Remuneration receivable	<u>97,130</u>	<u>517,310</u>

Remuneration of highest paid director

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Total remuneration (excluding pension contributions)	<u>–</u>	<u>325,197</u>

SFC (Wholesale) Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2012

4. DIRECTORS' REMUNERATION *(continued)*

The Company, in order to motivate and incentivise its officers and employees, has, made contributions to a previously established employer financed retirement benefit scheme for the benefit of the Company's officers, employees and their wider families, The SFC (Wholesale) Ltd 2011 EFRBS ("the Scheme")

Contributions were made to the Scheme during the accounting period and these created value in that Scheme. The amount of such value which is held on terms which are discretionary was £594,050. Because no earmarking has yet taken place in respect of this amount, it is not considered that this amount can be regarded as directors' remuneration and, therefore, it has been excluded from the overall figure above and the remuneration of the highest paid director.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Interest payable on bank borrowing	<u>1,412</u>	<u>1,912</u>

6. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Current tax		
UK Corporation tax based on the results for the year at 23.12% (2011 - 20.60%)	70,082	73,745
Over/under provision in prior year	<u>4,170</u>	<u>-</u>
Total current tax	<u>74,252</u>	<u>73,745</u>

SFC (Wholesale) Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2012

7. INTANGIBLE FIXED ASSETS

	Goodwill £	Trademarks £	Total £
Cost			
At 1 October 2011	160,000	11,336	171,336
Additions	—	3,508	3,508
At 30 September 2012	<u>160,000</u>	<u>14,844</u>	<u>174,844</u>
Amortisation			
At 1 October 2011 and 30 September 2012	<u>160,000</u>	—	<u>160,000</u>
Net Book Value			
At 30 September 2012	—	14,844	14,844
At 30 September 2011	—	11,336	11,336

8 TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
Cost				
At 1 October 2011	57,588	39,289	7,423	104,300
Additions	141	—	903	1,044
At 30 September 2012	<u>57,729</u>	<u>39,289</u>	<u>8,326</u>	<u>105,344</u>
Depreciation				
At 1 October 2011	32,903	31,873	3,808	68,584
Charge for the year	13,164	4,032	2,856	20,052
At 30 September 2012	<u>46,067</u>	<u>35,905</u>	<u>6,664</u>	<u>88,636</u>
Net Book Value				
At 30 September 2012	<u>11,662</u>	<u>3,384</u>	<u>1,662</u>	<u>16,708</u>
At 30 September 2011	<u>24,685</u>	<u>7,416</u>	<u>3,615</u>	<u>35,716</u>

9. STOCKS

	2012 £	2011 £
Stock	<u>1,116,807</u>	<u>2,225,173</u>

SFC (Wholesale) Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2012

10 DEBTORS

	2012	2011
	£	£
Trade debtors	1,607,857	2,418,733
VAT recoverable	34,778	82,554
Other debtors	600,274	6,000
Prepayments and accrued income	88,580	144,533
	<u>2,331,489</u>	<u>2,651,820</u>

11 CREDITORS: Amounts Falling due Within One Year

	2012	2011
	£	£
Overdrafts	694,024	1,560,390
Trade creditors	1,942,045	2,043,039
Corporation tax	70,082	68,810
PAYE and social security	9,532	15,988
Other creditors	4,134	1,890
Directors current accounts	493,444	104,191
Accruals and deferred income	256,085	222,362
	<u>3,469,346</u>	<u>4,016,670</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2012	2011
	£	£
Overdrafts	<u>694,024</u>	<u>1,560,390</u>

The liabilities are secured by way of a fixed and floating charge over all the assets of the Company

12 TRANSACTIONS WITH THE DIRECTORS

During the year the company made advances totalling £42,022 (2011 £110,604) to Mr G A Nuttall. These were made without condition with no interest charged. The monies advanced were repaid within the period with additional funds introduced. The amount that Mr G A Nuttall introduced was £92,000 with no obligations or interest charged. The company also paid personal expenses totalling £15,225 (2011 £1,252) on behalf of Mr G A Nuttall. At the year end the company owed Mr G A Nuttall £44,379 (2011 £9,626) and this is included in creditors due within one year.

During the year the company made advances totalling £110,041 (2011 £427,004) to Mr G R Hanson. These were made without condition with no interest charged. The monies were repaid within the year with additional funds introduced. The amount that Mr G R Hanson introduced was £464,541 with no obligations or interest charged. At the year end the company owed Mr G R Hanson £449,065 (2011 £94,565) and this is included in creditors due within one year.

SFC (Wholesale) Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2012

13. SHARE CAPITAL

Allotted, called up and fully paid.

	2012		2011	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

14. PROFIT AND LOSS ACCOUNT

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Balance brought forward	1,190,925	930,996
Profit for the financial year	<u>237,233</u>	<u>259,929</u>
Balance carried forward	<u>1,428,158</u>	<u>1,190,925</u>

15. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Operating profit	312,673	335,586
Depreciation	20,052	34,590
Decrease in stocks	1,108,366	198,758
Decrease in debtors	320,331	888,574
Increase/(decrease) in creditors	<u>317,770</u>	<u>(743,060)</u>
Net cash inflow from operating activities	<u>2,079,192</u>	<u>714,448</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Interest received	224	—
Interest paid	<u>(1,412)</u>	<u>(1,912)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(1,188)</u>	<u>(1,912)</u>

SFC (Wholesale) Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2012

15. NOTES TO THE CASH FLOW STATEMENT *(continued)*

TAXATION

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Taxation	<u>(72,980)</u>	<u>(94,151)</u>

CAPITAL EXPENDITURE

	Year to 30 Sep 12 £	Period from 1 Apr 10 to 30 Sep 11 £
Payments to acquire intangible fixed assets	(3,508)	(4,911)
Payments to acquire tangible fixed assets	<u>(1,044)</u>	<u>(32,716)</u>
Net cash outflow from capital expenditure	<u>(4,552)</u>	<u>(37,627)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2012 £	2011 £
Increase in cash in the period	<u>2,000,472</u>	<u>580,758</u>
Movement in net funds in the period	<u>2,000,472</u>	<u>580,758</u>
Net debt at 1 October 2011	<u>(1,276,740)</u>	<u>(1,857,498)</u>
Net funds at 30 September 2012	<u>723,732</u>	<u>(1,276,740)</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Oct 2011 £	Cash flows £	At 30 Sep 2012 £
Net cash			
Cash in hand and at bank	283,650	1,134,106	1,417,756
Overdrafts	<u>(1,560,390)</u>	<u>866,366</u>	<u>(694,024)</u>
Net funds	<u>(1,276,740)</u>	<u>2,000,472</u>	<u>723,732</u>