

REGISTERED NUMBER: SC314713 (Scotland)

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011
FOR
DUNDEE COLD STORES LIMITED



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for the Year Ended 31 DECEMBER 2011

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DUNDEE COLD STORES LIMITED
COMPANY INFORMATION
for the Year Ended 31 DECEMBER 2011

DIRECTORS:

C G W Bruce
W P Bruce
A G M Forbes
J I Forbes
I Gillies

SECRETARY:

DM Company Services Limited

REGISTERED OFFICE:

Whittle Place
Gourdie Industrial Estate
Dundee
DD2 4TD

REGISTERED NUMBER:

SC314713 (Scotland)

AUDITORS:

Thomas Barrie & Co LLP
Registered Auditors
Chartered Accountants
Atlantic House
1a Cadogan Street
Glasgow
G2 6QE

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

REPORT OF THE DIRECTORS
for the Year Ended 31 DECEMBER 2011

The directors present their report with the financial statements of the company for the year ended 31 December 2011.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of processing, freezing and cold storage of vegetables.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The company continues to operate in the processing, freezing and cold storage of vegetables.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross profit and net profit:

	2011	2010
	£	£
Turnover	5,542,001	6,576,573
Gross Profit	41.94%	47.57%
Net Profit	23.12%	32.40%

Although recent economic conditions have been difficult, we have continued to invest in our processing and storage plants in order to increase capacity and try to ensure the long term growth of our business.

As for many businesses of our size, the business environment in which we operate continues to be challenging and we are aware that any plans for the future development of the business may be subject to unforeseen future events outwith our control.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2011.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2011 to the date of this report.

C G W Bruce
W P Bruce
A G M Forbes
J I Forbes
I Gillies

REPORT OF THE DIRECTORS
for the Year Ended 31 DECEMBER 2011

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.

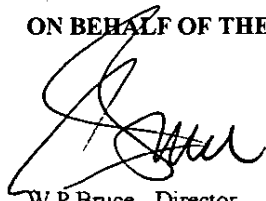
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Thomas Barrie & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



W P Bruce - Director

12 September 2012

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DUNDEE COLD STORES LIMITED**

We have audited the financial statements of Dundee Cold Stores Limited for the year ended 31 December 2011 on pages five to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Report of the Directors 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 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.

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.

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.

Martin Greig BA CA (Senior Statutory Auditor)
for and on behalf of Thomas Barrie & Co LLP
Registered Auditors
Chartered Accountants
Atlantic House
1a Cadogan Street
Glasgow
G2 6QE

13 September 2012

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 DECEMBER 2011

2010		Notes	2011	
£	£		£	£
6,576,573				5,542,001
106,480				145,003
<u>6,683,053</u>				<u>5,687,004</u>
	2,054,305	Raw materials and consumables	1,976,100	
	160,551	Other external charges	143,432	
<u>2,214,856</u>				<u>2,119,532</u>
<u>4,468,197</u>				<u>3,567,472</u>
	1,331,779	Staff costs	2	1,191,734
	421,493	Depreciation		527,639
	487,406	Other operating charges		484,967
<u>2,240,678</u>				<u>2,204,340</u>
<u>2,227,519</u>				
		OPERATING PROFIT	3	1,363,132
96,854		Interest payable and similar charges	4	82,098
<u>2,130,665</u>				
		PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,281,034
600,147		Tax on profit on ordinary activities	5	372,364
<u>1,530,518</u>		PROFIT FOR THE FINANCIAL YEAR		<u>908,670</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

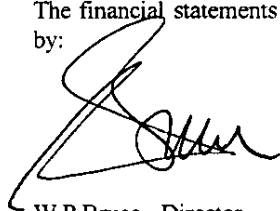
The notes form part of these financial statements

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

BALANCE SHEET
31 DECEMBER 2011

2010			Notes	2011
£	£			£
2,838,801		FIXED ASSETS		
		Tangible assets	6	3,251,111
		CURRENT ASSETS		
	109,003	Stocks	7	47,857
	3,370,021	Debtors	8	2,810,860
	210,572	Cash at bank and in hand		328,261
	3,689,596			3,186,978
	3,010,181	CREDITORS		
		Amounts falling due within one year	9	2,167,100
679,415		NET CURRENT ASSETS		1,019,878
3,518,216		TOTAL ASSETS LESS CURRENT LIABILITIES		4,270,989
(1,050,000)		CREDITORS		
		Amounts falling due after more than one year	10	(875,000)
(71,765)		PROVISIONS FOR LIABILITIES	13	(90,868)
2,396,451		NET ASSETS		3,305,121
		CAPITAL AND RESERVES		
	100	Called up share capital	14	100
	2,396,351	Profit and loss account	15	3,305,021
2,396,451		SHAREHOLDERS' FUNDS	17	3,305,121

The financial statements were approved by the Board of Directors on 12 September 2012 and were signed on its behalf by:



W P Bruce - Director

The notes form part of these financial statements

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

CASH FLOW STATEMENT
for the Year Ended 31 DECEMBER 2011

2010				2011
£	£	Notes	£	£
2,016,355	Net cash inflow from operating activities	1		1,314,735
(96,854)	Returns on investments and servicing of finance	2		(82,098)
(414,404)	Taxation			1
(973,435)	Capital expenditure and financial investment	2		(939,949)
<u>531,662</u>				<u>292,689</u>
(175,000)	Financing	2		(175,000)
<u>356,662</u>	Increase in cash in the period			<u>117,689</u>
	Reconciliation of net cash flow to movement in net debt	3		
	Increase			
	356,662 in cash in the period		117,689	
	Cash outflow			
	<u>175,000</u> from decrease in debt		<u>175,000</u>	
	Change in net debt resulting			
	from cash flows			<u>292,689</u>
<u>531,662</u>				
531,662	Movement in net debt in the period			292,689
(1,546,090)	Net debt at 1 January			<u>(1,014,428)</u>
<u>(1,014,428)</u>	Net debt at 31 December			<u>(721,739)</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 DECEMBER 2011**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011	2010
	£	£
Operating profit	1,363,132	2,227,519
Depreciation charges	527,639	418,372
Loss on disposal of fixed assets	-	3,121
Decrease in stocks	61,146	28,963
Decrease/(increase) in debtors	559,161	(936,681)
(Decrease)/increase in creditors	(1,196,343)	275,061
Net cash inflow from operating activities	1,314,735	2,016,355

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest paid	(82,098)	(96,854)
Net cash outflow for returns on investments and servicing of finance	(82,098)	(96,854)
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(939,949)	(981,436)
Sale of tangible fixed assets	-	8,000
Sale of fixed asset investments	-	1
Net cash outflow for capital expenditure and financial investment	(939,949)	(973,435)
 Financing		
Loan repayments in year	(175,000)	(175,000)
Net cash outflow from financing	(175,000)	(175,000)

The notes form part of these financial statements

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 DECEMBER 2011

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.11 £	Cash flow £	At 31.12.11 £
Net cash:			
Cash at bank and in hand	210,572	117,689	328,261
	<u>210,572</u>	<u>117,689</u>	<u>328,261</u>
Debt:			
Debts falling due within one year	(175,000)	-	(175,000)
Debts falling due after one year	(1,050,000)	175,000	(875,000)
	<u>(1,225,000)</u>	<u>175,000</u>	<u>(1,050,000)</u>
Total	<u>(1,014,428)</u>	<u>292,689</u>	<u>(721,739)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 DECEMBER 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales for processing, freezing and cold storage of vegetables, 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.

Freehold property	- 2% on cost
Plant and machinery	- 20% on reducing balance and 10% on cost
Computer Equipment	- 25% 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 tax

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Deferred government grants

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2. STAFF COSTS

	2011 £	2010 £
Wages and salaries	1,087,297	1,214,149
Social security costs	99,492	113,583
Other pension costs	4,945	4,047
	<u>1,191,734</u>	<u>1,331,779</u>

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

	2011	2010
Management	1	1
Administration	3	3
Production	49	51
	<u>53</u>	<u>55</u>

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2011

3. OPERATING PROFIT

The operating profit is stated after charging:

	2011	2010
	£	£
Hire of plant and machinery	1,192	1,192
Depreciation - owned assets	527,639	418,373
Loss on disposal of fixed assets	-	3,121
Auditors' remuneration	21,015	14,265

Directors' remuneration	-	-
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4. INTEREST PAYABLE AND SIMILAR CHARGES

	2011	2010
	£	£
Bank interest	1,011	2,695
Bank loan interest	81,087	94,159
	82,098	96,854

5. TAXATION

Analysis of the tax charge

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

	2011	2010
	£	£
Current tax:		
UK corporation tax	353,261	597,152
Over provided in prior year	-	(329)
Total current tax	353,261	596,823
Deferred tax	19,103	3,324
Tax on profit on ordinary activities	372,364	600,147

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2011

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2011 £	2010 £
Profit on ordinary activities before tax	<u>1,281,034</u>	<u>2,130,665</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 - 28%)	333,069	596,586
Effects of:		
Expenses not deductible for tax purposes	13,160	2,501
Income not taxable for tax purposes	(32,231)	(21,184)
Depreciation in excess of capital allowances	35,098	19,249
Adjustments to tax charge in respect of previous periods	-	(329)
Adjustment for effects of lower rate of tax	6,677	-
Marginal relief	<u>(2,512)</u>	<u>-</u>
Current tax charge	<u>353,261</u>	<u>596,823</u>

6. TANGIBLE FIXED ASSETS

	Totals £	Freehold property £	Plant and machinery £	Computer Equipment £
COST				
At 1 January 2011	3,492,869	1,130,236	2,306,860	55,773
Additions	<u>939,949</u>	<u>58,961</u>	<u>846,839</u>	<u>34,149</u>
At 31 December 2011	<u>4,432,818</u>	<u>1,189,197</u>	<u>3,153,699</u>	<u>89,922</u>
DEPRECIATION				
At 1 January 2011	654,068	35,092	591,955	27,021
Charge for year	<u>527,639</u>	<u>18,784</u>	<u>486,374</u>	<u>22,481</u>
At 31 December 2011	<u>1,181,707</u>	<u>53,876</u>	<u>1,078,329</u>	<u>49,502</u>
NET BOOK VALUE				
At 31 December 2011	<u>3,251,111</u>	<u>1,135,321</u>	<u>2,075,370</u>	<u>40,420</u>
At 31 December 2010	<u>2,838,801</u>	<u>1,095,144</u>	<u>1,714,905</u>	<u>28,752</u>

Included in cost of land and buildings is freehold land of £250,000 (2010 - £250,000) which is not depreciated.

7. STOCKS

	2011 £	2010 £
Stocks	<u>47,857</u>	<u>109,003</u>

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2011

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade debtors	2,508,591	2,975,850
Other debtors	210,130	230,540
VAT	9,751	45,776
Prepayments and accrued income	82,388	117,855
	<u>2,810,860</u>	<u>3,370,021</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Bank loans and overdrafts (see note 11)	175,000	175,000
Trade creditors	194,102	312,575
Tax	950,414	597,152
Social security and other taxes	13,882	14,849
Other creditors	18,265	1,254,779
Accrued expenses	219,720	207,566
Deferred government grants	595,717	448,260
	<u>2,167,100</u>	<u>3,010,181</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011	2010
	£	£
Bank loans (see note 11)	<u>875,000</u>	<u>1,050,000</u>

11. LOANS

An analysis of the maturity of loans is given below:

	2011	2010
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>175,000</u>	<u>175,000</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>175,000</u>	<u>175,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>525,000</u>	<u>525,000</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>175,000</u>	<u>350,000</u>

The bank loan is repaid monthly by instalments with an end date of 2017. The interest rate has been fixed at 5.89%.

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2011

12. SECURED DEBTS

The following secured debts are included within creditors:

	2011	2010
	£	£
Bank loans	<u>1,050,000</u>	<u>1,225,000</u>

The company has granted a bond and floating charge over the assets of the company in favour of Royal Bank of Scotland plc.

13. PROVISIONS FOR LIABILITIES

	2011	2010
	£	£
Deferred tax	<u>90,868</u>	<u>71,765</u>
		Deferred tax
		£
Balance at 1 January 2011		71,765
Provision movement		<u>19,103</u>
Balance at 31 December 2011		<u>90,868</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2011	2010
			£	£
50	A Ordinary	£1	50	50
50	B Ordinary	£1	50	50
			<u>100</u>	<u>100</u>

15. RESERVES

	Profit and loss account
	£
At 1 January 2011	2,396,351
Profit for the year	<u>908,670</u>
At 31 December 2011	<u>3,305,021</u>

DUNDEE COLD STORES LIMITED (REGISTERED NUMBER: SC314713)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2011

16. RELATED PARTY DISCLOSURES

The company is jointly owned by W P Bruce Limited and East Coast Viners Limited.

During the year, the company paid management charges of £85,500 to, and purchased goods and other services worth £153,983 from, W P Bruce Limited.

The company made net sales of £1,148,058 to W P Bruce (Peas) Limited, a company which is a subsidiary of W P Bruce Ltd. At the year end, £494,185 was still outstanding.

The company made net sales of £105,859 to East Coast Viners Limited of which £8,173 was outstanding at the year end.

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Profit for the financial year	908,670	1,530,518
Net addition to shareholders' funds	908,670	1,530,518
Opening shareholders' funds	2,396,451	865,933
Closing shareholders' funds	3,305,121	2,396,451