
Annual report and financial statements
financial year ended 28 April 2018



DIRECTORS

S Ball

J E Martin

R Leary

R Lloyd

N G S Soutar

L Byrne

R Stables

L Read

WJS Executives Limited

COMPANY SECRETARY AND REGISTERED OFFICE

Company secretary: G M Urmston

Registered office:

The Riverside Building

Livingstone Road

Hessle

East Yorkshire

United Kingdom

HU13 0DZ

Company registration number : 3974455

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Central Square

29 Wellington Street

Leeds

LS1 4DL

LEGAL ADVISERS

Addleshaw Goddard

2 Sovereign Square

Sovereign Street

Leeds

LS1 4ER

BANKERS

Lloyds Bank Plc (Principal Banker)

Lisbon House

116 Wellington Street

Leeds

LS1 4LT

The directors present to the members their annual report and the audited financial statements of the company for the financial year ended 28 April 2018.

FINANCIAL PERFORMANCE

The results for the year are summarised below.

	2018	2017
	£000	£000
Turnover	70,863	64,636
Gross profit	18,300	16,290
Operating profit	361	2,468

The year ended 28 April 2018 was a challenging year for the business. Consumers continued to experience a tough economic climate leading to a squeeze on disposable income that resulted in being ever more conscious of their purchasing decisions. Therefore, against this backdrop, it is pleasing to report growth in the business' turnover. Operating profit for the year has been impacted by the construction of a second bakery for the business.

PRINCIPAL RISKS AND UNCERTAINTIES

Competition in the retail market place remains fierce and, as many of our products directly or indirectly are supplied to retailers, there is permanent pressure on prices.

As a business we are susceptible to movements in raw material costs. The variability of summer weather in recent years has impacted the yield and quality of many crops. Wherever the structure of the market allows and it proves beneficial we forward contract to mitigate the uncertainty and volatility of commodity prices.

Similarly, we source a variety of our raw materials from overseas and as such we are exposed to exchange rate volatility. Where foreign currency requirements are greater than supplies we cover our exposure to mitigate uncertainty.

Compliance with technical standards relating to the supply of food products in today's world is increasingly demanding. Our technical teams are very active, constantly monitoring all relevant aspects of internal performance of our suppliers, with a view to minimising food safety risks.

FINANCIAL RISK MANAGEMENT

The company participates in a composite group funding programme and as a consequence is a party to a group multi-lateral guarantee to the company's principal bankers.

The company subscribes to the group's policies on financial risk management. The group's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, credit risk, liquidity risk and interest rate risk. The group has in place a risk management programme that seeks to limit the adverse effects on financial performance by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the directors have delegated the responsibility of monitoring financial risk management to the group's finance department. The directors will revisit the appropriateness of the group's financial risk management policy should there be a material change in the size or nature of the group's operations.

Price risk - the group is exposed to commodity price risk as a result of its operations and manages its exposure by buying forward where the benefits outweigh the costs.

The group has no direct exposure to equity securities price risk as it does not invest in listed or other securities.

Credit risk - the group has implemented policies that require appropriate credit checks on potential customers before sales are made. Credit insurance is sought on key customers. Where credit insurance is removed, discussions are held with the customer to mitigate the company's exposure. All debt is monitored monthly.

Exchange rate risk - the group provides a function for passing foreign currency around the group at an agreed exchange rate. Where requirements cannot be satisfied internally, forward contracts are used to minimise exchange rate risk.

Liquidity and interest rate risk - the company has both interest bearing assets and interest bearing liabilities. In order to stabilise financing cash flows and to manage interest rate risk, the group seeks to borrow within an appropriate spread of maturity periods dependant on the total level of borrowing. The group regularly reviews its short and medium term plans for operations and planned expansions with its principal banker.

KEY PERFORMANCE INDICATORS (KPIs)

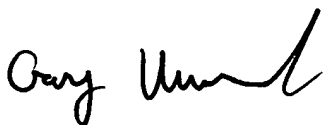
The board assessed the following KPIs as the most effective measures for monitoring the group's progress against its strategic objectives:

- underlying sales growth – year on year increase in sales revenue excluding acquisitions and disposals;
- operating margin – operating profit as a percentage of sales revenue;

Performance against KPIs

	2018	2017
Sales growth %	9.6%	5.7%
Operating profit margin %	0.5%	3.8%

This strategic report has been approved by the Board on 13 July 2018 and signed by order of the Board by,



G M Urmston
Company secretary

PRINCIPAL ACTIVITIES

The company's principal activity is the manufacture of bread and morning goods.

DIRECTORS

The directors holding office during the financial year and up to the date of signing of this report were:

N G S Soutar

S Ball

J E Martin (appointed 2 January 2018)

K Denyer (resigned 2 January 2018)

R Leary

L Byrne

R Stables (appointed 10 October 2017)

R Lloyd

L Read (appointed 10 October 2017)

C Fynney (appointed 7 May 2018)

WJS Executives Limited

FUTURE DEVELOPMENTS

The Board continues to believe that opportunities for growth, innovation and development outweigh the potential impact of the risks and uncertainties currently facing the company.

DIVIDENDS

The directors do not recommend the payment of a dividend (2017: Nil) and the profit for the year has been transferred to reserves.

SAFETY, HEALTH AND ENVIRONMENTAL POLICIES

The company operates its business in a manner which actively seeks to prevent or minimise the possibility of its operations causing harm to people or the environment. We strive to provide the material and resources to educate and involve every individual in the company in achieving this objective. It is the Board's belief that aspiring to excellence in the management of safety, health and the environment is a vital element of ensuring the long term prosperity of the company.

Our principal objectives are to:

- meet and, where appropriate, exceed the requirements of all relevant legislation;
- seek to reduce the consumption of materials, re-use rather than dispose wherever possible and promote recycling;
- design energy efficiency into new buildings, products and services and manage energy wisely;

- organise the transportation of our products to minimise fuel consumption, consistent with business needs;
- site and maintain our buildings and plant to minimise visual, noise and other impacts on the local environment;
- measure management teams for their contribution to the continuous improvement of safety, health and environmental performance in their area of responsibility;
- communicate and exchange views with employees, employee representatives, customers, contractors, suppliers, neighbours and any other individual or organisation affected by our business.

EMPLOYMENT POLICIES

The company fully supports the employment policies of the William Jackson & Son Limited group on communication, training, equal opportunity, disability at work and social activities, details of which can be found in the financial statements of the ultimate parent undertaking.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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

MATTERS COVERED IN THE STRATEGIC REPORT

The business review, principal risks and uncertainties, financial risk management policy and key performance indicators have all been disclosed within the Strategic Report.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each director is aware there is no relevant audit information of which the company's auditors are unaware. Relevant information is defined as "information needed by the company's auditors in connection with preparing their report".

Each director has taken all the steps that he ought to have taken in his duty as 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.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP have indicated their willingness to continue as auditors to the company.

This directors' report has been approved by the Board on 13 July 2018 and signed by order of the Board by,



G M Urmston
Company secretary

Independent auditors' report to the members of Jackson's Bakery Limited

Report on the audit of the financial statements

Opinion

In our opinion, Jackson's Bakery Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 28 April 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 28 April 2018; the statement of total comprehensive income, the statement of changes in equity for the year then ended; the accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 28 April 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 4 and 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue

as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

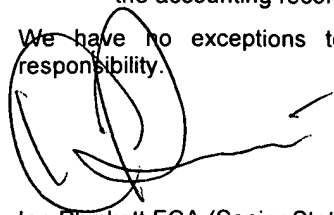
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Ian Plunkett FCA (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
13 July 2018

Statement of Total Comprehensive Income

For the year ended 28 April 2018

	Note	2018	2017
		£000	£000
Turnover		70,863	64,636
Cost of sales		<u>(52,563)</u>	<u>(48,346)</u>
Gross profit		18,300	16,290
Net operating expenses	1	<u>(17,939)</u>	<u>(13,822)</u>
Operating profit	2	361	2,468
Loss on disposal of fixed assets		<u>-</u>	<u>(361)</u>
Profit before interest and taxation		361	2,107
Interest payable and similar expenses	5	<u>(227)</u>	<u>(210)</u>
Profit before taxation		134	1,897
Tax on profit	6	<u>(378)</u>	<u>(200)</u>
(Loss)/Profit for the financial year		<u>(244)</u>	<u>1,697</u>
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive (expense)/income for the year		<u>(244)</u>	<u>1,697</u>

The Statement of Total Comprehensive Income for the financial year ended 28 April 2018 represents a 52-week period (2017: 52 weeks). All amounts relate to continuing operations.

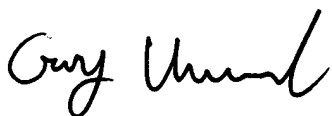
Jackson's Bakery Limited

Balance sheet

as at 28 April 2018

	Note	2018 £000	2017 £000
Fixed assets			
Intangible assets	7	2,117	678
Tangible assets	8	61,957	41,487
Investments	9	267	267
		64,341	42,432
Current assets			
Stocks	10	2,265	2,226
Debtors	11	19,405	12,407
Cash at bank and in hand		5,239	-
		26,909	14,633
Creditors: Amounts falling due within one year	12	(25,224)	(17,448)
Net current assets/(liabilities)		1,685	(2,815)
Total assets less current liabilities		66,026	39,617
Creditors: Amounts falling due after more than one year	13	(44,970)	(18,967)
Provisions for liabilities	14	(4,299)	(3,649)
Net assets		16,757	17,001
Capital and reserves			
Called up share capital	20	1,000	1,000
Retained earnings		15,757	16,001
Total shareholders' funds		16,757	17,001

The financial statements on pages 8 to 20 were approved by the Board of Directors on 13 July 2018 and signed on its behalf by:



G M Urmston

For and on behalf of WJS Executives Limited – Director

Jackson's Bakery Limited

Registered number: 3974455

Statement of Changes in Equity*For the year ended 28 April 2018*

	Called up share capital £000s	Retained earnings £000s	Total shareholders' funds £000s
Balance at 30 April 2016	1,000	14,304	15,304
Profit and total comprehensive income for the financial year	-	1,697	1,697
Balance at 29 April 2017	1,000	16,001	17,001
Loss and total comprehensive expense for the financial year	-	(244)	(244)
Balance at 28 April 2018	1,000	15,757	16,757

Jackson's Bakery Limited is a private company limited by shares incorporated and domiciled in England. The Registered Office is The Riverside Building, Livingstone Road, Hessle, HU13 0DZ.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102"), and with the Companies Act 2006.

The financial statements are presented in Sterling (£) which is the functional currency of the company and rounded to the nearest £'000.

These financial statements are prepared on a going concern basis, under the historical cost convention.

The company's ultimate parent undertaking at the balance sheet date, William Jackson & Son Limited, includes the company in its consolidated financial statements. The consolidated financial statements of William Jackson & Son Limited are available to the public and may be obtained from the assistant company secretary at The Riverside Building, Livingstone Road, Hessle, East Yorkshire, HU13 0DZ. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of William Jackson & Son Limited include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following:

The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

At the balance sheet date, the company was a wholly owned subsidiary of William Jackson Food Group Limited and of its ultimate parent, William Jackson & Son Limited. It is included in the consolidated financial statements of William Jackson & Son Limited which are publically available. Therefore, the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

The principal accounting policies, which have been consistently applied throughout the year, are set out below.

INCOME RECOGNITION AND TURNOVER

Income is measured at the fair value of the consideration received/receivable and is recognised net of trade discounts, customer allowances and value added taxes. Income is recognised when the customer is in receipt of the relevant goods or service and when the risk and reward of ownership has transferred.

All turnover relates to goods and services supplied in the United Kingdom.

TAXATION

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

STOCKS

Stocks are valued at the lower of cost, including an element for production overheads where appropriate, and estimated selling price less costs to complete and sell.

In determining the cost of goods for resale, the FIFO method is used. Stock provisions are recognised, if necessary, for any slow moving, obsolete and defective stock identified.

INTANGIBLE ASSETS AND AMORTISATION

Intangible assets that are acquired by the company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful life for software is 3-20 years.

TANGIBLE ASSETS AND DEPRECIATION

Tangible fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Depreciation is calculated by reference to cost at rates estimated to write off the relevant assets, less any residual value, over their useful economic lives, taking into account normal commercial and technical obsolescence.

The lives most widely applied are:-

Freehold properties: 50 years

Plant and fixtures: 3 – 20 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

LEASED ASSETS

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

EMPLOYEE BENEFITS

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Defined contribution plan

The company is a member of a group which provides a money purchase stakeholder pension arrangement. Costs are charged to the profit and loss account as they fall due. Amounts not yet paid are shown in accruals in the balance sheet.

Defined benefit plan

The group also has a defined benefit pension scheme which is closed to new members.

In respect of the group defined benefit pension scheme, as there is no contractual agreement or stated group policy for charging the net defined benefit cost of the plan to participating entities, the net defined benefit cost of the pension plan and the net defined benefit liability are recognised fully by the company which is legally responsible for the plan, which is William Jackson Food Group Limited (another member of the Group).

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are translated into the functional currency at the foreign exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange differences arising on translation are recognised in the profit and loss account.

INVESTMENTS

Fixed asset investments are initially recorded at cost less any provision for impairment.

FINANCIAL INSTRUMENTS

The company has chosen to adopt sections 11 and 12 of FRS102 in respect of financial instruments. Basic financial assets and liabilities, including trade and other receivables and payables, are initially recognised at transaction price and subsequently carried at amortised cost using the effective interest method.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

Preparation of the financial statements requires management to make judgements and estimates. The items in the financial statements where these judgements and estimates have been made and are considered to have a significant impact on carrying values include:

Determination of useful lives of tangible fixed assets

Depreciation is provided in order to write down assets over their estimated useful lives. The useful lives are based on management estimates using previous experience and expected usage patterns of the assets.

Taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profit.

Complex customer arrangements

The company has in place some complex customer discount agreements; the accounting for which requires an element of management estimation as there is often uncertainty as to the volume of future sales and the level of rebates to be accrued.

Recoverability of debtors

Management judgement is required when assessing the recoverability of debtors including trade and other debtors.

1 NET OPERATING EXPENSES	2018	2017
	<i>£000</i>	<i>£000</i>
Distribution costs	9,343	8,638
Administrative expenses	8,596	5,184
	17,939	13,822

2 OPERATING PROFIT	2018	2017
	<i>£000</i>	<i>£000</i>
Operating profit is stated after charging:		
Depreciation of owned tangible fixed assets	3,609	3,430
Amortisation of intangible assets	47	47
Inventory recognised as an expense	35,235	31,648
Operating lease rentals	1,167	1,194
Auditors' remuneration - statutory audit of the company's financial statements	20	19

3 DIRECTORS	2018	2017
	<i>£000</i>	<i>£000</i>
Aggregate emoluments	1,039	1,078
Company payments into money purchase personal pension schemes	60	29
Highest paid director:		
- emoluments	331	345
- company payments into money purchase personal pension scheme	-	-

Retirement benefits are accruing to 2 directors (2017 – 2 directors) under the group's defined benefit pension scheme in respect of their services to the company and to 2 directors (2017 – 1 directors) under the money purchase schemes.

4 EMPLOYEES	2018	2017
	<i>Number</i>	<i>Number</i>
The average monthly number of persons employed by the company (including executive directors) during the financial year was:		
Manufacturing	398	378
Selling and administration	45	38
	443	416
	<i>£000</i>	<i>£000</i>
The aggregate cost of these persons was:		
Wages and salaries	15,057	14,442
Social security costs	1,349	1,229
Other pension costs (note 17)	768	785
	17,174	16,456

5 INTEREST PAYABLE AND SIMILAR EXPENSES	2018	2017
	<i>£000</i>	<i>£000</i>
Interest paid to group undertakings	227	210
6 TAX ON PROFIT	2018	2017
	<i>£000</i>	<i>£000</i>
<u>Current tax:</u>		
UK corporation tax on profits for the year	348	957
Adjustments in respect of prior years	(621)	(2,179)
Total current tax	(273)	(1,222)
<u>Deferred tax:</u>		
Origination and reversal of timing differences	152	(303)
Adjustments in respect of prior years	515	1,909
Effect of changes in tax rates	(16)	(184)
Total deferred tax	651	1,422
Tax on profit	378	200

The tax charge for the year is higher (2017: lower) from the standard rate of corporation tax in the UK of 19% (2017: 19.92%). The differences are explained below:

Profit before taxation	134	1,897
Profit at the standard rate of UK corporation tax of 19% (2017 – 19.92%)	25	378
Effects of:		
Expenses not deductible for tax purposes	475	276
Adjustments in respect of prior years	(106)	(270)
Remeasurement of deferred tax – change in UK tax rate	(16)	(184)
Tax on profit	378	200

Notes to the financial statements

financial year ended 28 April 2018

7 INTANGIBLE ASSETS	Software £000	Assets in course of construction £000	Total £000
Cost			
At 29 April 2017	400	643	1,043
Additions	52	1,434	1,486
At 28 April 2018	452	2,077	2,529
Accumulated depreciation			
At 29 April 2017	365	-	365
Provided during the year	47	-	47
At 28 April 2018	412	-	412
Net book amount			
At 28 April 2018	40	2,077	2,117
At 29 April 2017	35	643	678

8 TANGIBLE ASSETS	Freehold Properties £000	Plant & fixtures £000	Assets in course of construction £000	Total £000
Cost				
At 29 April 2017	19,024	44,127	2,291	65,442
Additions	10,644	12,799	731	24,174
Disposals	-	(95)	-	(95)
Transferred	40	2,251	(2,291)	-
At 28 April 2018	29,708	59,082	731	89,521
Accumulated depreciation				
At 29 April 2017	3,055	20,900	-	23,955
Provided during the year	616	2,993	-	3,609
Disposals	-	-	-	-
At 28 April 2018	3,671	23,893	-	27,564
Net book amount				
At 28 April 2018	26,037	35,189	731	61,957
At 29 April 2017	15,969	23,227	2,291	41,487

9 INVESTMENTS	Cost £000	Impairment provisions £000	Net book amount £000
At 28 April 2018 and 29 April 2017	267	-	267

The subsidiary undertaking was incorporated and operates in England and its issued share capital consists of ordinary shares. The name of the subsidiary undertaking is:

<i>Nature of business</i>	<i>Proportion held by company</i>
	%
William Jackson Bakery (Export) Limited Registered office: The Riverside Building, Livingstone Rd, Hessle, East Yorkshire, HU13 0DZ.	100

The directors believe that the carrying value of the investments is supported by their underlying net assets.

10 STOCKS	2018 £000	2017 £000
Raw materials and consumables	731	778
Finished goods	1,534	1,448
	2,265	2,226

There is no significant difference between the replacement cost of the stocks and its carrying amount. Stocks are stated after provisions for impairment of £13,000 (2017: £9,000).

11 DEBTORS	2018 £000	2017 £000
Trade debtors	14,032	10,858
Amounts owed by group undertakings	3,444	-
Other debtors	1,502	1,122
Corporation tax	69	73
Prepayments and accrued income	358	354
	19,405	12,407

Amounts owed from group undertakings are un-secured, interest free, have no fixed date of repayment and are repayable on demand.

Trade debtors are stated after provisions for impairment of £24,000 (2017: £39,000).

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2018	2017
	£000	£000
Trade creditors	6,999	5,534
Overdraft	-	2,094
Amounts owed to group undertakings	11,360	5,993
Accruals and deferred income	6,865	3,827
	<u>25,224</u>	<u>17,448</u>

Amounts owed to group undertakings are un-secured, interest free, have no fixed date of repayment and are repayable on demand.

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2018	2017
	£000	£000

Amounts owed to group undertakings	<u>44,970</u>	<u>18,967</u>
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The amount owed to group undertakings by the company is repayable with not less than 55 weeks notice and is subject, in both 2018 and 2017, to an interest rate of Bank Rate plus one percent.

14 PROVISIONS FOR LIABILITIES	2018	2017
	£000	£000
Deferred tax		
At 29 April 2017 and 30 April 2016	3,649	2,227
Profit and loss account	135	(487)
Adjustment in respect of prior years	515	1,909
At 28 April 2018 and 29 April 2017	<u>4,299</u>	<u>3,649</u>
Provision for deferred tax comprises:		
Accelerated capital allowances	4,320	3,660
Other timing differences	(21)	(11)
	<u>4,299</u>	<u>3,649</u>

Factors affecting the current and future tax charge

The standard rate of Corporation Tax in the UK for 2018 was 19% (2017: 19.92%). Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in the financial statements.

15 CAPITAL AND FINANCIAL COMMITMENTS

2018	2017
<i>£000</i>	<i>£000</i>

Capital commitments

The company had capital projects contracted for but not provided amounting to:

11,347	-
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Non-cancellable operating leases

The company's future minimum operating lease payments are as follows:

	2018	2017
	Total	Total
	£000	£000
	Land and buildings	Other
	<i>£000</i>	<i>£000</i>
Within 1 year	60	605
Between 2 and 5 years	-	1,518
	60	2,123
	665	1,518
	1,518	994
	2,183	1,488

16 GUARANTEES

The company's principal bankers hold an unlimited composite cross guarantee by the company against advances made to certain fellow subsidiary undertakings.

17 PENSION ARRANGEMENTS

A defined contribution stakeholder pension is available for employees joining the company.

The total pension charge for the year was £768,000 (2017: £785,000), and contributions of £29,000 (2017: £28,000) were outstanding at the year end.

In respect of the group defined benefit pension scheme, as there is no contractual agreement or stated group policy for charging the net defined benefit cost of the plan to participating entities, the net defined benefit cost of the pension plan and the net defined benefit liability are recognised fully by the company which is legally responsible for the plan, which is William Jackson Food Group Limited (another fellow group undertaking).

18 IMMEDIATE AND ULTIMATE PARENT UNDERTAKINGS

The company's immediate parent undertaking is William Jackson Food Group Limited. At the balance sheet date, the company's ultimate parent undertaking, which was also the ultimate controlling party was William Jackson & Son Limited. The company's ultimate controlling party from 9 May 2018 is William Jackson Foods Limited.

The company's results are consolidated within the results of William Jackson & Son Limited whose financial statements can be obtained from the assistant company secretary at The Riverside Building, Livingstone Rd, Hessle, East Yorkshire, HU13 0DZ. The company's results are not consolidated in any other group.

19 RELATED PARTY DISCLOSURES

As a wholly owned subsidiary of William Jackson & Son Limited, the company has taken advantage of the exemptions available under FRS 102 not to disclose transactions with other companies wholly owned within the group that qualify as related parties and not to disclose key management personnel compensation.

20 CALLED UP SHARE CAPITAL	Authorised	Allotted, called up and fully paid			
	2018 and 2017		2018		2017
	<i>£000</i>	<i>Number</i>	<i>£000</i>	<i>Number</i>	<i>£000</i>
Ordinary shares of £1 each	<u>50,000</u>	1,000,000	<u>1,000</u>	1,000,000	<u>1,000</u>