

COMPANY REGISTRATION NUMBER: 04306005

**Wilson Vale Catering Management Limited**

**Financial Statements**

**31 December 2019**

# **Wilson Vale Catering Management Limited**

## **Financial Statements**

**Year ended 31 December 2019**

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# **Wilson Vale Catering Management Limited**

## **Officers and Professional Advisers**

### **The board of directors**

A S Wilson

C J Vale

R Wilson

### **Company secretary**

A S Wilson

### **Registered office**

3B Swallowfield Courtyard

Wolverhampton Road

Oldbury

West Midlands

B69 2JG

### **Auditor**

BSN Associates Limited

Chartered Accountants & statutory auditor

3B Swallowfield Courtyard

Wolverhampton Road

Oldbury

West Midlands

B69 2JG

# Wilson Vale Catering Management Limited

## Strategic Report

### Year ended 31 December 2019

On reflection, 2019 was a year of transition for Wilson Vale. We experienced the positive benefits of our new corporate headquarters for a full year and the difference this has made to collaboration, communications and seamless working has been very positive. Having the facility to train our teams there has also enabled us to maintain ever closer links across the business. Our investment in 2018 of an enhanced operational structure, which we know without doubt is the most intensive in our sector, is continuing to provide high levels of bespoke support for our teams and clients. This is now fully settled and beautifully positioned to continue our gentle growth. In fact, from a new client's perspective, unusually 2019 was a year of two halves with nearly all of our new business coming on stream in the latter half of the year which has had an impact on turnover in these results. However, the financial results are still strong for 2019 despite this unusual pattern of new contract openings.

**FINANCIAL RESULTS** Given the bias to the second half of the year, turnover has increased by 3.5% to just over £35 million and profit before tax has increased by 9% to £3.08m. Our costs increased during the year by 5.7%, maintaining a healthy ratio to profit growth. What is particularly pleasing once again is our cash position at year end which is significantly higher than 2018 at £4.2m. We have continued to make investments in the business in return for long term relationships where it has been appropriate and sensible. We take a measured view on this and would certainly not win a 'who can invest in (buy) the business race' - and frankly never wish to.

**BUSINESS REVIEW** We were delighted to have retained Mount School, a client since 2008, as well as one other client which through a natural cycle looked at the market during the year. Six new business gains throughout the year included the new IM Group Headquarters in Solihull, Clare Hall, our first Cambridge College, and Space Studios Manchester. Sadly, we are not of course immune to clients' cost pressures and have had some closures too. Mars, a client since 2008 at a single location, decided to look at a Group solution and we decided to decline to tender as the commercials would have been the sole focus. Jack Wills went into receivership in the summer and an independent school in the North East also closed due to financial reasons.

**MANAGEMENT STRUCTURE** Our operational teams remained consistent during the period with a team of four General Managers and twelve Area Managers, which we believe is a class leading ratio in our industry - and another clear commitment to our operational approach and the singular ethos of looking after our existing clients.

**FOOD INNOVATION** Creating an innovative and exciting food offer has to start with the very best ingredients. Our approach has never changed since our inception, giving our teams tremendous flexibility in sourcing the ingredients they need. We are proud to have over 450 individual local suppliers in our portfolio, many of whom are family-owned artisan producers and growers. Some of these may only service one or two of our locations yet they are vitally important to our approach. Innovation continued at a pace during the year with a new series of themes, such as our Korean Kitchen and Mexican Street Food themes, which we have rolled out across the business and have been thoroughly enjoyed by our customers and clients.

**PEOPLE DEVELOPMENT** Our in-house apprenticeship programme, CraftWorks, is now well established, with over 20 people successfully completing the modules and another 68 currently enjoying and learning from the programme. To support this initiative, we have invested in additional resources to train and administer the scheme. Our management development programmes continue to provide us with a pool of growing talent which will support our succession planning well into the future. As we mentioned last year, our approach has also reaped benefits in terms of loyalty, performance and staff retention. 177 employees have been with us for over five years, representing 22% of the workforce. Within our 28-strong senior management team, 15 have over 10 years' service.

**DOING THE RIGHT THING** We are updating our bi-annual CSR review in the spring to share with clients and our teams our progress to date and the future initiatives we are undertaking. During the summer we decided to move our fleet to low emission hybrid technology and by the end of the first quarter of 2020, 20% of our fleet will have been updated. We have a target of a fleet emissions value of 90gm/Km by the end of 2021. We now have 18 locations where, in conjunction with our clients, we have completely removed plastics from our Grab & Go displays. These locations also use takeaway containers made from plant material. We will continue to roll this out throughout our business with our clients' support. Over the last five years there has been a huge rise in people choosing to eat vegan food and we have seen this too. We continue to develop workshops to offer our customers a growing wide range of dishes and recipes.

**THE RIGHT BALANCE** We have always placed fairness at the heart of our company. For instance, we have been using the same core suppliers since 2002. We don't chop and change for purely commercial reasons or in response to some short-term problems that of course occur from time-to-time in all businesses. We also ensure that our supply partners get paid on time. There has been substantial media coverage about the disparity in

organisations about gender pay, age and opportunity. Our approach is hopefully refreshing. We reward people based on ability and commitment - that's it. We are proud that we have many people choosing to continue to work with us well into maturity, with 7% of our team over the age of 60. We think it's a great thing keeping themselves active and passing on their experience, wisdom and skills to others. We are encouraging the next generation also with 5% of our workforce under 21 - and we pay them the same rate as the other members of their team. Last year, we proudly joined the Living Wage Foundation and are working with our clients to achieve this. We are delighted to report that 66% of our workforce are on the Foundation Living Wage set currently at £9.30 an hour. In fact, 84% of our employees are paid more than the National Minimum Wage. MAINTAINING THE BALANCE We have made a very positive start to 2020 with 6 new openings planned and a good future pipeline which will enable us to pass the landmark 100 sites in the first quarter. However, for us as always, it's never about the growth. The focus is on continuing to look after our existing clients before rushing to add more at their expense. Of course, I have to highlight there are risks as in any venture but these are relatively small and are purely related to wider economic effects. So, we will continue to focus on sensible growth, balanced telemetry and working hard to maintain our leading niche position in the market.

This report was approved by the board of directors on 3 April 2020 and signed on behalf of the board by:

A S Wilson

Company Secretary

Registered office:

3B Swallowfield Courtyard

Wolverhampton Road

Oldbury

West Midlands

B69 2JG

# Wilson Vale Catering Management Limited

## Directors' Report

### Year ended 31 December 2019

The directors present their report and the financial statements of the company for the year ended 31 December 2019 .

#### **Directors**

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

A S Wilson

C J Vale

R Wilson

#### **Dividends**

Particulars of recommended dividends are detailed in note 10 to the financial statements.

#### **Employment of disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that training, career development and promotion of disabled persons, as far as possible, be identical with that of other employees.

#### **Employee involvement**

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

#### **Disclosure of information in the strategic report**

The Strategic Report is detailed on pages 2 and 3 of the financial statements.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to: - select suitable accounting policies and then apply them consistently; - make judgments and accounting estimates that are reasonable and prudent; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Auditor

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

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

This report was approved by the board of directors on 3 April 2020 and signed on behalf of the board by:

A S Wilson

Company Secretary

Registered office:

3B Swallowfield Courtyard

Wolverhampton Road

Oldbury

West Midlands

B69 2JG

# **Wilson Vale Catering Management Limited**

## **Independent Auditor's Report to the Members of Wilson Vale Catering Management Limited**

**Year ended 31 December 2019**

### **Opinion**

We have audited the financial statements of Wilson Vale Catering Management Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or - the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of directors' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. Use of our report

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

Philippa Hawkes BA CA  
(Senior Statutory Auditor)

For and on behalf of  
BSN Associates Limited  
Chartered Accountants & statutory auditor  
3B Swallowfield Courtyard  
Wolverhampton Road  
Oldbury  
West Midlands  
B69 2JG  
3 April 2020

# Wilson Vale Catering Management Limited

## Statement of Income and Retained Earnings

Year ended 31 December 2019

	Note	2019 £	2018 £
<b>Turnover</b>	<b>4</b>	<b>35,045,013</b>	33,862,981
Cost of sales		<b>28,942,788</b>	28,183,858
<b>Gross profit</b>		<b>6,102,225</b>	5,679,123
Administrative expenses		<b>3,025,092</b>	2,861,790
<b>Operating profit</b>	<b>5</b>	<b>3,077,133</b>	2,817,333
<b>Profit before taxation</b>		<b>3,077,133</b>	2,817,333
Taxation on ordinary activities	<b>9</b>	<b>603,570</b>	548,175
<b>Profit for the financial year and total comprehensive income</b>		<b>2,473,563</b>	2,269,158
Dividends paid and payable		(	(
	<b>10</b>	<b>1,800,000)</b>	1,395,000)
<b>Retained earnings at the start of the year</b>		<b>3,094,694</b>	2,220,536
<b>Retained earnings at the end of the year</b>		<b>3,768,257</b>	3,094,694

All the activities of the company are from continuing operations.

# Wilson Vale Catering Management Limited

## Statement of Financial Position

31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	11	1,583,113	1,747,664
<b>Current assets</b>			
Stocks	12	90,486	94,062
Debtors	13	5,574,278	5,873,587
Cash at bank and in hand		4,183,664	3,457,610
		9,848,428	9,425,259
<b>Creditors: amounts falling due within one year</b>	14	7,687,775	8,098,529
<b>Net current assets</b>		2,160,653	1,326,730
<b>Total assets less current liabilities</b>		3,743,766	3,074,394
<b>Provisions</b>			
Taxation including deferred tax	15	( 77,122)	( 72,931)
<b>Net assets</b>		3,820,888	3,147,325
<b>Capital and reserves</b>			
Called up share capital	19	49,998	49,998
Capital redemption reserve	20	2,633	2,633
Profit and loss account	20	3,768,257	3,094,694
<b>Shareholders funds</b>		3,820,888	3,147,325

These financial statements were approved by the board of directors and authorised for issue on 3 April 2020 , and are signed on behalf of the board by:

A S Wilson

C J Vale

Director

Director

Company registration number: 04306005

# Wilson Vale Catering Management Limited

## Statement of Cash Flows

Year ended 31 December 2019

	2019	2018
	£	£
<b>Cash flows from operating activities</b>		
Profit for the financial year	<b>2,473,563</b>	2,269,158
<i>Adjustments for:</i>		
Depreciation of tangible assets	<b>544,523</b>	476,475
Loss/(gains) on disposal of tangible assets	<b>157</b>	( 3,497)
Taxation on ordinary activities	<b>603,570</b>	548,175
Accrued expenses/(income)	<b>596,388</b>	( 369,874)
<i>Changes in:</i>		
Stocks	<b>3,576</b>	( 3,791)
Trade and other debtors	<b>( 373,145)</b>	32,155
Trade and other creditors	<b>( 344,594)</b>	800,156
	-----	-----
Cash generated from operations	<b>3,504,038</b>	3,748,957
Tax paid	<b>( 597,855)</b>	( 556,952)
	-----	-----
Net cash from operating activities	<b>2,906,183</b>	3,192,005
	-----	-----
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	<b>( 376,871)</b>	( 1,664,861)
Proceeds from sale of tangible assets	<b>( 3,258)</b>	12,181
	-----	-----
Net cash used in investing activities	<b>( 380,129)</b>	( 1,652,680)
	-----	-----
<b>Cash flows from financing activities</b>		
Dividends paid	<b>( 1,800,000)</b>	( 1,395,000)
	-----	-----
Net cash used in financing activities	<b>( 1,800,000)</b>	( 1,395,000)
	-----	-----
<b>Net increase in cash and cash equivalents</b>	<b>726,054</b>	144,325
<b>Cash and cash equivalents at beginning of year</b>	<b>3,457,610</b>	3,313,285
	-----	-----
<b>Cash and cash equivalents at end of year</b>	<b>4,183,664</b>	3,457,610
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# Wilson Vale Catering Management Limited

## Notes to the Financial Statements

### Year ended 31 December 2019

#### **1. General information**

The principal activity of the company during the year was that of catering management. The company is a private company limited by shares, registered in England and Wales. The company's main place of business is Ivanhoe Business Park, Ashby-de-la-Zouch, LE65 2AB.

#### **2. Statement of compliance**

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

#### **3. Accounting policies**

##### **Basis of preparation**

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

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

##### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

##### **Judgements and key sources of estimation uncertainty**

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

##### **Revenue recognition**

The turnover shown in the statement of comprehensive income represents the amount received for catering management of catering units carried out by the company during the period exclusive of value added tax. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

### **Operating leases**

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

### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

### **Depreciation**

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

Assets held off site	-	Written off over the life of the contract
Furniture and Fittings	-	10% - 20% Straight line basis
Motor Vehicles	-	33.33% Straight line basis
Computer Equipment	-	33.33% Straight line basis

### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

## Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

## Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

## 4. Turnover

Turnover arises from:

	<b>2019</b>	2018
	<b>£</b>	£
Rendering of services	<b>35,045,013</b>	33,862,981

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

## 5. Operating profit

Operating profit or loss is stated after charging/crediting:

	<b>2019</b>	2018
	<b>£</b>	£
Depreciation of tangible assets	<b>544,523</b>	476,475
Loss/(gains) on disposal of tangible assets	<b>157</b>	( 3,497)
Impairment of trade debtors	<b>30,810</b>	-
Operating lease rentals	<b>63,000</b>	44,832
Auditors fees	<b>10,979</b>	10,500

## 6. Particulars of employees

The average number of persons employed by the company during the year, including the directors, amounted to:

	<b>2019</b>	2018
	<b>No.</b>	No.
Production staff	<b>788</b>	720
Administrative staff	<b>43</b>	41
	----	----
	<b>831</b>	761
	----	----

The aggregate payroll costs incurred during the year, relating to the above, were:

	<b>2019</b>	2018
	<b>£</b>	£
Wages and salaries	<b>14,826,589</b>	14,180,644
Social security costs	<b>1,173,554</b>	1,119,941
Other pension costs	<b>348,142</b>	319,284
	-----	-----
	<b>16,348,285</b>	15,619,869
	-----	-----

## 7. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	<b>2019</b>	2018
	<b>£</b>	£
Remuneration	<b>233,459</b>	238,033
Company contributions to defined contribution pension plans	<b>6,420</b>	5,904
	-----	-----
	<b>239,879</b>	243,937
	-----	-----

The number of directors who accrued benefits under company pension plans was as follows:

	<b>2019</b>	2018
	<b>No.</b>	No.
Defined contribution plans	<b>3</b>	3
	----	----

Remuneration of the highest paid director in respect of qualifying services:

	<b>2019</b>	2018
	<b>£</b>	£
Aggregate remuneration	<b>94,542</b>	102,079
Company contributions to defined contribution pension plans	<b>2,700</b>	2,520
	-----	-----
	<b>97,242</b>	104,599
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## 8. Key management personnel

During the year the company had additional key management personnel with total remuneration paid by the company during the year of £503,154 (2018: £442,225).

## 9. Taxation on ordinary activities

### Major components of tax expense

	<b>2019</b>	2018
	<b>£</b>	£
<b>Current tax:</b>		
UK current tax expense	<b>607,589</b>	567,683
Adjustments in respect of prior periods	<b>172</b>	138
	-----	-----
Total current tax	<b>607,761</b>	567,821
	-----	-----

**Deferred tax:**

Origination and reversal of timing differences	<b>( 4,191)</b>	( 19,646)
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**Taxation on ordinary activities**

	<b>603,570</b>	548,175
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**Reconciliation of tax expense**

The tax assessed on the profit on ordinary activities for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19 % (2018: 19 %).

	<b>2019</b>	2018
	<b>£</b>	£
Profit on ordinary activities before taxation	<b>3,077,133</b>	2,817,333
Profit on ordinary activities by rate of tax	<b>584,655</b>	535,293
Adjustment to tax charge in respect of prior periods	<b>172</b>	138
Effect of expenses not deductible for tax purposes	<b>1,362</b>	2,060
Effect of capital allowances and depreciation	<b>17,148</b>	9,580
Effect of different UK tax rates on some earnings	<b>233</b>	1,104
Tax on profit	<b>603,570</b>	548,175

**10. Dividends**

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	<b>2019</b>	2018
	<b>£</b>	£
Dividends paid on equity shares	<b>1,800,000</b>	1,395,000

**11. Tangible assets**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	<b>Total £</b>
<b>Cost</b>					
At 1 January 2019	1,061,188	1,245,233	568,342	222,670	<b>3,097,433</b>
Additions	197,933	78,940	71,360	28,638	<b>376,871</b>
Disposals	-	( 892)	( 19,205)	( 11,137)	<b>( 31,234)</b>
<b>At 31 December 2019</b>	<b>1,259,121</b>	<b>1,323,281</b>	<b>620,497</b>	<b>240,171</b>	<b>3,443,070</b>
<b>Depreciation</b>					
At 1 January 2019	788,697	74,003	385,534	101,535	<b>1,349,769</b>
Charge for the year	215,203	152,390	111,090	65,840	<b>544,523</b>
Disposals	( 3,847)	( 892)	( 19,205)	( 10,391)	<b>( 34,335)</b>
<b>At 31 December 2019</b>	<b>1,000,053</b>	<b>225,501</b>	<b>477,419</b>	<b>156,984</b>	<b>1,859,957</b>
<b>Carrying amount At 31 December 2019</b>	<b>259,068</b>	<b>1,097,780</b>	<b>143,078</b>	<b>83,187</b>	<b>1,583,113</b>
At 31 December 2018	272,491	1,171,230	182,808	121,135	1,747,664

**12. Stocks**

	<b>2019</b>	2018
	<b>£</b>	£
Raw materials	<b>90,486</b>	94,062

### 13. Debtors

	2019	2018
	£	£
Trade debtors	4,878,100	5,134,897
Prepayments and accrued income	696,178	738,690
	-----	-----
	<b>5,574,278</b>	5,873,587
	-----	-----

### 14. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	4,609,918	5,029,121
Amounts owed to group undertakings	10,000	10,000
Accruals and deferred income	2,053,957	2,130,023
Corporation tax	297,589	287,683
Social security and other taxes	716,311	641,702
	-----	-----
	<b>7,687,775</b>	8,098,529
	-----	-----

### 15. Provisions

	Deferred tax (note 16)
	£
At 1 January 2019	( 72,931)
Additions	( 4,191)
	-----
<b>At 31 December 2019</b>	<b>( 77,122)</b>
	-----

### 16. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2019	2018
	£	£
Included in provisions (note 15)	( 77,122)	( 72,931)
	-----	-----

The deferred tax account consists of the tax effect of timing differences in respect of:

	2019	2018
	£	£
Accelerated capital allowances	( 10,625)	4,260
Provisions	( 66,497)	( 77,191)
	-----	-----
	<b>(77,122)</b>	(72,931)
	-----	-----

### 17. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 348,142 (2018: £ 319,284 ).

There were outstanding contributions to be paid of £62,364 (2018: £57,449) at the balance sheet date.

## 18. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	<b>2019</b>	2018
	<b>£</b>	£
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	<b>4,609,330</b>	4,861,825
	-----	-----
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	<b>3,600,501</b>	4,054,661
	-----	-----

## 19. Called up share capital Issued, called up and fully paid

	<b>2019</b>		2018	
	<b>No.</b>	<b>£</b>	No.	£
Ordinary shares with voting rights shares of £ 1 each	<b>49,998</b>	<b>49,998</b>	49,998	49,998
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## 20. Reserves

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company. Profit and loss account - This reserve records retained earnings and accumulated losses.

## 21. Analysis of changes in net debt

	At 1 Jan 2019	Cash flows	<b>At 31 Dec 2019</b>
	£	£	£
Cash at bank and in hand	3,457,610	726,054	<b>4,183,664</b>
Debt due within one year	(10,000)	-	<b>(10,000)</b>
	-----	-----	-----
	3,447,610	726,054	<b>4,173,664</b>
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## 22. Commitments under operating leases

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

	<b>2019</b>	2018
	<b>£</b>	£
Not later than 1 year	<b>75,000</b>	44,832
Later than 1 year and not later than 5 years	<b>315,000</b>	-
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	<b>390,000</b>	44,832
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# Wilson Vale Catering Management Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2019

#### **23. Directors' advances, credits and guarantees**

The company paid rent of £31,500 (2018: £16,362) to A S Wilson and £31,500 (2018: £16,362) to C J Vale during the year. There were no amounts owing or owed to the directors at the year end. The company paid rent of Nil (2018: £12,108) to the Wilson Vale Retirement Benefit Scheme in the year a scheme which the above directors are beneficiaries of. There were no amounts owing or owed at the year end. During the year an equity dividend of £1,800,000 was paid to Wilson Vale Holding Limited, the ultimate parent.

#### **24. Related party transactions**

Under FRS 102 the company is exempt from disclosing transactions with fellow group companies on the basis that consolidated accounts are prepared which are publicly available.

#### **25. Controlling party**

The ultimate parent company is Wilson Vale Holdings Limited, a company registered in England & Wales.

