



**WILSON SANDFORD LTD**  
Chartered Accountants  
Statutory Auditors & Business Advisors

Your ref

Our ref

Date

RW/AS

01/08/2016

Pension Practitioner.com  
Dawes House  
33-35 Dawes Lane  
London  
NW7 4SD

Dear Sir/Madam

**RE: VICTORIA BAKERY LIMITED RETIREMENT BENEFIT SCHEME**

We enclose a copy of the Scheme Accounts for the year to 5 April 2016 for your records. Please would you be kind enough to acknowledge receipt.

Yours faithfully,

**WILSON SANDFORD LIMITED**

**WILSON SANDFORD LIMITED**

85 Church Road Hove East Sussex BN3 2BB T 01273 821441 F 01273 326724  
E [hove@wilsonsandford.co.uk](mailto:hove@wilsonsandford.co.uk) W [wilsonsandford.co.uk](http://wilsonsandford.co.uk)

Directors: Robin E.S. Wilson FCA DChA Mark Jester ATT AAT  
Lorna Overstall BSc FCA

Associate Robert P. Crowter Company Secretary Anne C. Harris

Registered Office 85 Church Road Hove BN3 2BB Registered in England and Wales Registered No 6072055

Registered to carry on audit work and regulated for a range of investment business activities in the UK by the Institute of Chartered Accountants in England & Wales  
Details about our audit registration can be viewed at [www.auditregister.org.uk](http://www.auditregister.org.uk), under reference number: C001479295.



SCHEME REGISTRATION NUMBER 00233999RZ



**WILSON SANDFORD** LTD

Chartered Accountants

Statutory Auditors & Business Advisors

**VICTORIA BAKERY LIMITED RETIREMENT  
BENEFITS SCHEME**

**UNAUDITED FINANCIAL STATEMENTS**

**5 APRIL 2016**



WILSON SANDFORD LIMITED

85 Church Road Hove East Sussex BN3 2BB T 01273 821441 F 01273 326724  
E [hove@wilsonsandford.co.uk](mailto:hove@wilsonsandford.co.uk) W [wilsonsandford.co.uk](http://wilsonsandford.co.uk)



**VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2016**

<b>CONTENTS</b>	<b>PAGE</b>
Trustees and their advisers	1
Trustees' report	2
Chartered accountants' report to the trustees	5
Fund account	6
Net assets statement	7
Notes to the financial statements	8

# **VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME**

## **TRUSTEES AND THEIR ADVISERS**

**YEAR ENDED 5 APRIL 2016**

<b>Principal employer</b>	Victoria Bakery Limited 83 High Street Barnet, Herts, EN5 5UR
<b>The trustees</b>	D A Freeman J S Freeman
<b>Scheme administrator and consultant</b>	Pension Practioner.com Dawes House 33-35 DawesLane London NW7 4SD
<b>Investment manager</b>	Victoria Bakery Limited 83 High Street Barnet, Herts, EN5 5UR
<b>Accountants</b>	Wilson Sandford Limited Chartered Accountants 85 Church Road Hove East Sussex BN3 2BB

# **VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME**

## **TRUSTEES' REPORT**

**YEAR ENDED 5 APRIL 2016**

The Trustees have pleasure in presenting their report and the financial statements of the scheme for the year ended 5 April 2016.

### **NATURE OF THE SCHEME**

The scheme was established by a Declaration of Trust dated March 2000. This is a small self administered pension scheme set up for the directors of Victoria Bakery Limited.

### **TAX STATUS OF THE SCHEME**

The Scheme is an Exempt Approved Scheme under the Income and Corporation Taxes Act 1988.

### **CHANGES TO THE SCHEME RULES**

There have been no changes to the Scheme rules during the Year.

### **MANAGEMENT OF THE SCHEME**

The Trustees named on page 1 have served throughout the year. Power to appoint or remove Trustees lies with the sponsoring employer.

### **TRUSTEES MEETINGS**

Meetings are held annually, with intermediate reviews being made by members who are also the directors of the sponsoring employer.

### **TRUSTEES' RESPONSIBILITIES**

The non-statutory financial statements are the responsibility of the trustees. The trust deed and rules of the scheme require the trustees to prepare financial statements for each scheme year which:

- show a true and fair view of the financial transactions of the scheme during the scheme year and of the amount and disposition at the end of the scheme year of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the scheme year, and
- contain the information specified in the Statement of Recommended Practice 'Financial Reports of Pension Schemes' 2015 and the Trust Deed.

The Trustees have supervised the preparation of the financial statements and have agreed suitable accounting policies, to be applied consistently, making any estimates and judgments on a prudent and reasonable basis.

The Trustees are also responsible for making available certain other information about the scheme in the form of an Annual Report.

The Trustees have a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## TRUSTEES' REPORT *(continued)*

YEAR ENDED 5 APRIL 2016

### INVESTMENT PRINCIPLES

The Scheme is exempt from the preparation of a Statement of Investment Principles as required by section 35 of the Pensions Act 1995 on the grounds that all investment decisions are made by the Trustees unanimously.

### CUSTODIAL ARRANGEMENTS

The Trustees are the scheme asset custodians. Transactions normally require written approval from all the Trustees.

### MEMBERSHIP

	2016	2015
Active members as at 6 April 2015	2	2
Active members as at 5 April 2016	<u>2</u>	<u>2</u>
<b>Total Membership</b>	<u>2</u>	<u>2</u>

### CASH EQUIVALENTS

The cash equivalents paid during the year were calculated and verified in a manner prescribed by regulations under section 97 of the Pension Schemes Act 1993, and none were less than the amount for which section 94(1) of that Act provides.

Transfer values take into account any future discretionary increases in pensions in payment, in accordance with actuarial advice.

### FINANCIAL DEVELOPMENT OF THE SCHEME

The fund account and net assets statement on pages 6 to 7 show that the value of the scheme's assets increased by £14,921 to £523,587 as at 5 April 2016. The increase was comprised of net additions from dealings with members of £9,359 together with net returns on investments of £5,562.

Further details of the financial development of the scheme may be found in the financial statements on pages 6 to 12.

### FURTHER INFORMATION

Further information is available from, and enquiries should be directed to, the Scheme's administrators, PensionPractitioner.com, Dawes House, 33-35 Dawes Lane, London, NW7 4SD or email [info@pensionpractitioner.com](mailto:info@pensionpractitioner.com).

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## TRUSTEES' REPORT *(continued)*

YEAR ENDED 5 APRIL 2016

Signed on behalf of the Trustees

D A Freeman  
Trustee



J S Freeman  
Trustee



Approved by the Trustees on .....25/07/2016

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## CHARTERED ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

YEAR ENDED 5 APRIL 2016

In accordance with the engagement letter dated 17 June 2015, we have compiled the financial statements of the Scheme for the year ended 5 April 2016 in accordance with the Statement of Recommended Practice 'Financial reports of Pension Schemes', produced by the Pension Research Accountants Group, which comprise the Fund Account, Net Assets Statement and the related notes from the accounting records and information and explanations you have given to us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/regulations](http://icaew.com/regulations).

This report is made to the Scheme's Trustees, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Scheme's Trustees that we have done so, and state those matters that we have agreed to state to them in this report and in accordance with ICAEW Technical Release TECH 08/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme and the Scheme's Trustees, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the net assets statement as at 5 April 2016 your duty to ensure that the Scheme has kept adequate accounting records and to prepare financial statements. You consider that the Scheme is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



WILSON SANDFORD LIMITED  
Chartered Accountants

85 Church Road  
Hove  
East Sussex  
BN3 2BB

1-8-16



# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## FUND ACCOUNT

YEAR ENDED 5 APRIL 2016

	Note	2016 £	2015 £
<b>CONTRIBUTIONS AND BENEFITS</b>			
Contributions	2	9,359	9,361
<b>NET ADDITIONS FROM DEALINGS WITH MEMBERS</b>		<u>9,359</u>	<u>9,361</u>
<b>RETURNS ON INVESTMENTS</b>			
Investment income	4	12,783	12,646
Change in market value of investments	5	<u>(7,221)</u>	<u>30,016</u>
<b>NET RETURNS ON INVESTMENTS</b>		<u>5,562</u>	<u>42,662</u>
<b>NET INCREASE IN THE FUND DURING THE YEAR</b>		<u>14,921</u>	<u>52,023</u>
<b>NET ASSETS OF THE SCHEME AS AT 6 APRIL 2015</b>		<u>508,666</u>	<u>456,643</u>
<b>NET ASSETS OF THE SCHEME AS AT 5 APRIL 2016</b>		<u>523,587</u>	<u>508,666</u>

The notes on pages 8 to 12 form part of these financial statements.

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## NET ASSETS STATEMENT

AS AT 5 APRIL 2016

	Note	2016	2015
		£	£
<b>INVESTMENTS</b>	<b>5</b>		
Pooled investment vehicles		247,512	245,373
Properties		150,000	150,000
Cash deposits		131,575	118,793
		<hr/>	<hr/>
		529,087	514,166
<b>CURRENT LIABILITIES</b>			
<b>LIABILITIES: Amounts falling due within one year</b>	<b>7</b>		
		(5,500)	(5,500)
<b>NET ASSETS OF THE SCHEME AT 5 APRIL 2016</b>		<hr/>	<hr/>
		523,587	508,666

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year.

These financial statements were approved by the Trustees on the 25/7/2016 and are signed on their behalf by:

  
.....  
D A Freeman

  
.....  
J S Freeman

Scheme Registration Number: 00233999RZ

The notes on pages 8 to 12 form part of these financial statements.

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2016

### 1. ACCOUNTING POLICIES

#### Basis of preparation

The Financial Statements have been prepared in accordance with the Financial Reporting Standard 102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and with the guidance set out in the Statement of Recommended Practice (SORP) (revised November 2014).

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The Scheme adopted FRS 102 in the current year and an explanation of how transition to FRS 102 has affected the Scheme is given in note 10.

#### Fund account

Contributions are included in the financial statements in the period in which they are receivable. Contributions are included in the financial statements in the period in which they are receivable.

Benefits are accounted for in the period in which they fall due for payment. Where there is a choice, benefits are accounted for in the period in which the member notifies the Trustees of his decision on the type or amount of the benefit to be taken or, if there is no member choice, they are accounted for on the date of retirement or leaving.

#### Investments

The freehold property is shown at market value as determined by professional valuers at the last formal valuation. Where interim valuations have taken place, these are determined by the trustees.

### 2. CONTRIBUTIONS

	2016	2015
	£	£
<b>Employers</b>		
Normal contributions receivable	<u>9,359</u>	<u>9,361</u>

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2016

### 3. TAXATION

The scheme is a Registered Pension Scheme under Chapter 2 of Part IV of the Finance Act 2004. The trustees are not aware of any matters which might prejudice the tax status of the scheme.

### 4. INVESTMENT INCOME

	2016 £	2015 £
Net rents from properties	11,600	11,600
Bank interest receivable	1,183	1,046
	<u>12,783</u>	<u>12,646</u>

### 5. INVESTMENTS

	Value brought forward £	Purchases at cost and derivative payments £	Sale proceeds and derivative receipts £	Change in market value £	Value carried forward £
Insurance company managed funds	245,373	9,360	-	(7,221)	247,512
Freehold Property - undesignated	150,000	-	-	-	150,000
Cash deposits - undesignated	131,575	-	-	-	131,575
	<u>526,948</u>	<u>9,360</u>	<u>-</u>	<u>(7,221)</u>	<u>529,087</u>

The year end market value of investments was supplied by Prudential Assurance Company Limited. These assets are specifically designated to individual members. The changes in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

The freehold property was revalued to the market value as at 16 October 2003 by S J Scarisbrick, FRICS and again by the Trustees at 5 April 2010.

	2016 £	2015 £
<b>Pooled investment vehicles</b>		
Unit trusts - other UK	<u>247,512</u>	<u>245,373</u>

All fund managers operating with pooled investment vehicles are registered in the United Kingdom and all funds are invested in assets other than property.

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2016

### 5. INVESTMENTS *(continued)*

	2016 £	2015 £
<b>Properties</b>		
Properties - UK	<u>150,000</u>	<u>150,000</u>
	2016 £	2015 £
<b>Cash deposits</b>		
Cash deposits - Sterling	<u>131,575</u>	<u>118,793</u>

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2016

### 6. FAIR VALUE DETERMINATION

The fair value of financial instruments has been estimated using the following fair value hierarchy:

- Category (a) The quoted price for an identical asset in an active market.
- Category (b) When quoted prices are unavailable, the price of a recent transaction for an identical asset adjusted if necessary.
- Category (c) Where a quoted price is not available and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is determined by using a valuation technique which uses:

(c) (i) Observable market data: or

(c) (ii) Non-observable data.

The Scheme's investment assets have been fair valued using the above hierarchy categories as all within Category (b).

### 7. INVESTMENT RISK DISCLOSURES

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows: Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
- Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Scheme has exposure to these risks because of the investments it makes to implement its investment strategy. The Trustees manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. Further information on the Trustees' approach to risk management and the Scheme's exposures to credit and market risks are set out below.

#### **Investment strategy**

##### a) Credit risk

The Scheme is subject to credit risk as the Scheme has cash balances. The Scheme also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

Cash is held within financial institutions which are at least investment grade credit rated.

# VICTORIA BAKERY LIMITED RETIREMENT BENEFITS SCHEME

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 5 APRIL 2016

The Scheme's holdings in pooled investment vehicles are unrated. Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager.

#### b) Market risk

The Scheme is subject to indirect foreign exchange, interest rate and other price risk arising from the underlying financial instruments held in the funds managed by Prudential Assurance Company Limited and by the Scheme via Pension Practioner.com Limited.

The Scheme manages this exposure to market risks by constructing a diverse portfolio of investments across various markets.

The funds which have significant exposure to these risks are set out below:

	2016 and 2015			
	Credit risk	Foreign exchange risk	Interest rate risk	Other price risk
Insurance company managed funds	✓	✓	✓	✓
Freehold property	✓		✓	
Cash funds	✓		✓	

The cash deposits represent more than 5% of the scheme's net assets.

#### 8. CURRENT LIABILITIES

	2016	2015
	£	£
Other creditors	<u>5,500</u>	<u>5,500</u>

#### 9. RELATED PARTY TRANSACTIONS

Administrative expenses are borne by the sponsoring employer, Victoria Bakery Limited.

#### 10. TRANSITIONAL ARRANGEMENTS

The Scheme has adopted FRS 102 for the first time in the year ended 5th April 2016.

There has been no effect of transition from the previous financial reporting framework to FRS 102 on the net assets of the Scheme.