

Registered number  
2651200

DINA FOODS LIMITED

Report and Accounts

30 June 2009

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**DINA FOODS LIMITED**  
**Report and accounts**  
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**DINA FOODS LIMITED**  
**Company Information**

**Directors**

Souheil Haddad  
Fadi Haddad

**Secretary**

Souheil Haddad

**Auditors**

Cecil Kaye  
165 Nunhead Grove  
LONDON  
SE15 3LS

**Registered office**

165 Nunhead Grove  
London  
SE15 3LS

**Trading Address**

24 Gorst Road  
Park Royal  
London NW10 6LE

**Registered number**

2651200

## **DINA FOODS LIMITED**

### **Directors' Report**

The directors present their report and accounts for the period ended 30 June 2009.

#### **Principal activities and review of the business**

The Company's principal activity during the year continued to be bakery specialising in mediterranean flat bread and confectionery

#### **Business Review**

Turnover was maintained in spite of the recession and increased competition from competitors. Particularly encouraging has been the growth in sales to the big supermarkets. The directors view is that the company has sufficient strength and is in a good position to take advantage of any opportunities which may arise in the future.

#### **Directors**

The following persons served as directors during the period:

Mr S E Haddad  
Me F E Haddad

#### **Directors' responsibilities**

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. 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.

#### **Disclosure of information to auditors**

So far as each director at the date of approval of this report is aware:

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

This report was approved by the board on 4 December 2009.



Souheil Haddad  
Secretary

**DINA FOODS LIMITED**  
**Independent auditors' report**  
**to the shareholders of DINA FOODS LIMITED**

We have audited the accounts of DINA FOODS LIMITED for the period ended 30 June 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These accounts have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

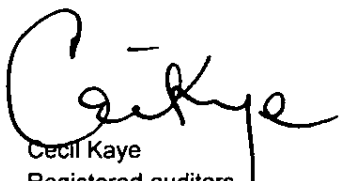
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2009 and of its profit for the period then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.



Cecil Kaye  
Registered auditors

4 December 2009

165 Nunhead Grove  
LONDON  
SE15 3LS

**DINA FOODS LIMITED**  
**Profit and Loss Account**  
**for the period from 1 November 2008 to 30 June 2009**

	Notes	2009 £	2008 £
<b>Turnover</b>	2	3,322,631	5,124,783
Cost of sales		(2,114,466)	(3,724,203)
<b>Gross profit</b>		<u>1,208,165</u>	<u>1,400,580</u>
Distribution costs		(118,779)	(105,638)
Administrative expenses		(969,254)	(1,386,627)
Other operating income		1,550	127,521
<b>Operating profit</b>	3	<u>121,682</u>	<u>35,836</u>
Exceptional items:			
loss on the disposal of investments	4	-	(37,147)
		<u>121,682</u>	<u>(1,311)</u>
Interest receivable		67	-
Interest payable	7	(43,821)	(92,545)
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>77,928</u>	<u>(93,856)</u>
Tax on profit/(loss) on ordinary activities	8	(20,000)	-
<b>Profit/(loss) for the period</b>		<u>57,928</u>	<u>(93,856)</u>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two periods.

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit/(loss) for the above two periods.

**DINA FOODS LIMITED**  
**Balance Sheet**  
**as at 30 June 2009**

	Notes	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	9	1,484,921	1,596,532
<b>Current assets</b>			
Stocks	10	354,408	506,821
Debtors	11	776,884	827,841
Cash at bank and in hand		6,686	-
		<u>1,137,978</u>	<u>1,334,662</u>
<b>Creditors: amounts falling due within one year</b>	12	(1,651,734)	(1,972,102)
<b>Net current liabilities</b>		<u>(513,756)</u>	<u>(637,440)</u>
<b>Total assets less current liabilities</b>		<u>971,165</u>	<u>959,092</u>
<b>Creditors: amounts falling due after more than one year</b>	13	(183,680)	(374,439)
<b>Net assets</b>		<u>787,485</u>	<u>584,653</u>
<b>Capital and reserves</b>			
Called up share capital	15	20,000	20,000
5% cumulative preference shares		144,904	-
Revaluation reserve	16	522,875	522,875
Profit and loss account	17	99,706	41,778
<b>Shareholders' funds</b>	18	<u>787,485</u>	<u>584,653</u>



S E Haddad  
 Director  
 Approved by the board on 4 December 2009



F E Haddad  
 Director

**DINA FOODS LIMITED**  
**Cash Flow Statement**  
**for the period from 1 November 2008 to 30 June 2009**

	Notes	2009 £	2008 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit/(loss)		121,682	(1,311)
Depreciation charges		123,252	211,682
Decrease/(increase) in stocks		152,413	(8,853)
Decrease/(increase) in debtors		50,957	(131,548)
Increase in creditors		90,160	68,915
<b>Net cash inflow from operating activities</b>		<u>538,464</u>	<u>138,885</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow from operating activities</b>		538,464	138,885
<b>Returns on investments and servicing of finance</b>	19	(43,754)	(92,545)
<b>Taxation</b>		(2,000)	-
<b>Capital expenditure</b>	19	<u>(11,641)</u>	<u>(91,834)</u>
		481,069	(45,494)
<b>Financing</b>	19	(15,330)	123,971
<b>Increase in cash</b>		<u>465,739</u>	<u>78,477</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Increase in cash in the period</b>		465,739	78,477
<b>Decrease/(increase) in debt and lease financing</b>		160,234	(123,971)
<b>Change in net debt</b>	20	<u>625,973</u>	<u>(45,494)</u>
<b>Net debt at 1 November</b>		<u>(1,128,378)</u>	<u>(1,082,884)</u>
<b>Net debt at 30 June</b>		<u>(502,405)</u>	<u>(1,128,378)</u>



**DINA FOODS LIMITED**  
**Notes to the Accounts**  
**for the period from 1 November 2008 to 30 June 2009**

**1 Accounting policies**

***Accounting convention***

The accounts have been prepared under the historical cost convention modified to include the revaluation of the lease on the premises and in accordance with applicable United Kingdom Accounting Standards

***Depreciation***

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	15%
Motor Vehicle	25%
Leasehold land and improvements	over the lease term

***Stocks***

Stock is valued at the lower of cost and net realisable value.

***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

***Leasing and hire purchase commitments***

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

***Pensions***

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**DINA FOODS LIMITED****Notes to the Accounts****for the period from 1 November 2008 to 30 June 2009****2 Turnover**

Turnover represents the value net of value added tax and discounts of goods provided to customers

Turnover is attributable to one continuing activity

Analysis by geographical market:	2009	2008
	£	£
United Kingdom	3,158,138	5,009,760
EU Member States	164,493	115,017
	<u>3,322,631</u>	<u>5,124,777</u>

**3 Operating profit**

2009	2008
£	£

This is stated after charging:

Depreciation of owned fixed assets	77,100	130,770
Depreciation of assets held under finance leases and hire purchase contracts	25,028	46,274
Amortisation of leasehold	19,800	29,700
Operating lease rentals - plant and machinery	29,983	36,604
Auditors' remuneration for audit services	2,870	2,870
	<u>154,781</u>	<u>246,218</u>

**4 Exceptional items**

2009	2008
£	£

Loss on disposal of investments	-	(37,147)
	<u>-</u>	<u>(37,147)</u>

**5 Directors' emoluments**

2009	2008
£	£

Emoluments	32,668	39,585
Company contributions to money purchase pension schemes	2,000	4,000
	<u>34,668</u>	<u>43,585</u>

**6 Staff costs**

2009	2008
£	£

Wages and salaries	230,563	293,253
Social security costs	66,026	100,703
Other pension costs	2,000	5,000
	<u>298,589</u>	<u>398,956</u>

**Average number of employees during the year**

Number	Number
--------	--------

Administration	8	15
Manufacturing	100	125
	<u>108</u>	<u>140</u>

**DINA FOODS LIMITED**  
**Notes to the Accounts**  
**for the period from 1 November 2008 to 30 June 2009**

<b>7 Interest payable</b>	<b>2009</b>	<b>2008</b>
	£	£
Bank loans and overdrafts	27,769	61,931
Other loans	7,464	13,392
Finance charges payable under finance leases and hire purchase contracts	8,588	17,222
	<u>43,821</u>	<u>92,545</u>

<b>8 Taxation</b>	<b>2009</b>	<b>2008</b>
	£	£
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	20,000	-
	<u>20,000</u>	<u>-</u>
Tax on profit on ordinary activities	<u>20,000</u>	<u>-</u>

**9 Tangible fixed assets**

	Leasehold £	Building improvements £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost/Valuation</b>					
At 1 November 2008	475,000	552,340	1,579,259	117,411	-
Additions	-	-	7,391	4,250	11,641
Disposals	-	-	-	(8,500)	(8,500)
At 30 June 2009	<u>475,000</u>	<u>552,340</u>	<u>1,586,650</u>	<u>113,161</u>	<u>2,727,151</u>
<b>Depreciation</b>					
At 1 November 2008	59,400	208,800	788,204	71,074	1,127,478
Charge for the period	19,800	14,600	79,495	8,033	121,928
On disposals	-	-	-	(7,176)	(7,176)
At 30 June 2009	<u>79,200</u>	<u>223,400</u>	<u>867,699</u>	<u>71,931</u>	<u>1,242,230</u>
<b>Net book value</b>					
At 30 June 2009	<u>395,800</u>	<u>328,940</u>	<u>718,951</u>	<u>41,230</u>	<u>1,484,921</u>
At 31 October 2008	<u>415,600</u>	<u>343,540</u>	<u>791,055</u>	<u>46,337</u>	<u>1,596,532</u>
				<b>2009</b>	<b>2008</b>
				£	£
Net book value of plant and machinery included above held under finance leases and hire purchase contracts				<u>214,514</u>	<u>243,037</u>

The leasehold was valued at its open market value for existing use in accordance with the Appraisal and valuation manual of the Royal Institution of Chartered Surveyors on 26 March 2006 by Mr S C Hanson BSc FRICS of Willmotts, Chartered surveyors

**DINA FOODS LIMITED**  
**Notes to the Accounts**  
**for the period from 1 November 2008 to 30 June 2009**

<b>10 Stocks</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Raw materials and consumables	344,633	379,638
Work in progress	-	105,181
Finished goods and goods for resale	9,775	22,002
	<u>354,408</u>	<u>506,821</u>

<b>11 Debtors</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Trade debtors	566,464	529,704
Amounts owed by group undertakings and undertakings in which the company has a participating interest	183,618	177,320
Other debtors	26,802	120,817
	<u>776,884</u>	<u>827,841</u>

<b>12 Creditors: amounts falling due within one year</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	293,430	803,458
Obligations under finance lease and hire purchase contracts	31,981	95,385
Advance from factors	338,618	-
Trade creditors	694,346	843,312
Corporation tax	18,000	-
Other taxes and social security costs	149,869	89,810
Other creditors	125,490	140,137
	<u>1,651,734</u>	<u>1,972,102</u>

<b>13 Creditors: amounts falling due after one year</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank loans	178,626	212,393
Obligations under finance lease and hire purchase contracts	5,054	17,142
Other creditors	-	144,904
	<u>183,680</u>	<u>374,439</u>

The bank loan and overdraft are secured by fixed and floating charge over the assets of the company  
Hire purchase liabilities are secured over the assets to which they relate

<b>14 Obligations under finance leases and hire purchase contracts</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Amounts payable:		
Within one year	31,981	95,385
Within two to five years	5,054	17,142
	<u>37,035</u>	<u>112,527</u>

**DINA FOODS LIMITED**  
**Notes to the Accounts**  
**for the period from 1 November 2008 to 30 June 2009**

<b>15 Share capital</b>			<b>2009</b>	<b>2008</b>
			<b>£</b>	<b>£</b>
Authorised:				
Ordinary shares of £1 each			20,000	20,000
5% cumulative preference shares of £1 each			144,904	-
			<u>164,904</u>	<u>20,000</u>
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	20,000	20,000	20,000	20,000
5% cumulative preference shares of £1 each	144,904	-	144,904	-
			<u>164,904</u>	<u>20,000</u>

The preference shares, which was issued at par to replace the family loan, are redeemable on 30 June 2019 at par. They carry a dividend of 5% per annum, payable half yearly in arrears on 30 June and 31 December. The dividend rights are cumulative.

On a winding up of the company, the preference shareholders have a right to receive, in preference to any payments to the ordinary shareholders, £1 per share plus any accrued dividend.

<b>16 Revaluation reserve</b>	<b>2009</b>
	<b>£</b>
At 1 November 2008	522,875
At 30 June 2009	<u>522,875</u>

<b>17 Profit and loss account</b>	<b>2009</b>
	<b>£</b>
At 1 November	41,778
Profit for the period	57,928
At 30 June 2009	<u>99,706</u>

<b>18 Reconciliation of movement in shareholders' funds</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
At 1 November	584,653	678,509
Profit/(loss) for the financial period	57,928	(93,856)
Shares issued	144,904	-
At 30 June	<u>787,485</u>	<u>584,653</u>

**DINA FOODS LIMITED**  
**Notes to the Accounts**  
**for the period from 1 November 2008 to 30 June 2009**

<b>19 Gross cash flows</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	67	-
Interest paid	(35,233)	(92,545)
Interest element of finance lease rental payments	(8,588)	-
	<u>(43,754)</u>	<u>(92,545)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	<u>(11,641)</u>	<u>(91,834)</u>
<b>Financing</b>		
Issue of share capital	144,904	-
Loan repayments	(84,742)	246,440
Capital element of finance lease rental payments	(75,492)	(122,469)
	<u>(15,330)</u>	<u>123,971</u>

**20 Analysis of changes in net debt**

	<b>At 1 Nov 2008</b>	<b>Cash flows</b>	<b>Non-cash changes</b>	<b>At 30 Jun 2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	-	6,686		6,686
Overdrafts	(552,181)	459,053		(93,128)
		<u>465,739</u>		
Debt due within 1 year	(251,277)	50,975		(200,302)
Debt due after 1 year	(212,393)	33,767		(178,626)
Finance leases	(112,527)	75,492		(37,035)
		<u>160,234</u>		
<b>Total</b>	<u>(1,128,378)</u>	<u>625,973</u>	<u>-</u>	<u>(502,405)</u>

**21 Related parties**

The company occupies premises owned by Zahra Limited an associate undertaking under a lease; rent paid during the period was £22,000 and in addition there were inter-company transactions between the two companies resulting in a net balance of £183,618 due to Zahra Limited.

This is disclosed in note 11 of the accounts.

The directors Messrs S Haddad and F Haddad are directors in both companies.

**22 Controlling party**

The company was controlled throughout the current period by its directors Messrs S E Haddad and F E Haddad, who between them own 30% of the ordinary shares of the company; and members of their close family who own the remaining 70%.