

# DITSCH LIMITED

**Directors:** E P Ditsch  
R Nehushtan

**Registered Office:** Daws House  
33-35 Daws Lane  
NW7 4SD

**Registered No:** 05578195

**Auditors:** Levy Cohen & Co  
Registered Auditors  
37 Broadhurst Gardens  
London NW6 3QT

## Financial statements For the year ended 31 December 2012

	<u>page</u>
Directors' report	1
Auditor's report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5-8

WEDNESDAY



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19/06/2013 #295  
COMPANIES HOUSE

**DITSCH LIMITED**  
**Directors' Report**

The Directors present the financial statements of the company for the year ended 31 December 2012

***Principal activity***

The principal activity of the company during the year under review continues to be a retailer of baked goods

***Dividend***

The directors are not able to recommend a dividend

***Directors***

The directors during the year under review and their interests in the company were as follows

E P Ditsch, M E Richter (resigned 19 11 2012), J C Supper (resigned 12 10 2012) and R Nehushtan

***Director's responsibilities***

Company law requires the director to prepare financial statements for each financial year which 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 those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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

***Directors' disclosure to the auditors***

The director confirms that

- So far as he is aware, there is no relevant audit information, information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware, and
- He has taken all the steps that he ought to have taken 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

***Auditors***

The auditors Levy Cohen & Co, are deemed to be reappointed under Section 487 (2) of the Companies Act 2006

The financial statements have been prepared in accordance with special provision of Part 15 of the Companies Act 2006 relating to small companies, and with Financial Reporting Standard for Smaller entities (as revised April 2008)

Signed on behalf of the Board



**E P Ditsch**  
Director

Approved by the Board  
28 May 2013

## Independent Auditors' Report to the Shareholders Of

### DITSCH LIMITED

We have audited the financial statements of Ditsch Limited for the year ended 31 December 2012 which comprise of the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practises Board's (APB's) Ethical Standards for Auditors, (including "APB Ethical Standards - Provisions available for Small Entities (Revised)", in the circumstances set out in note 1 to the financial statements

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

#### OPINION

In our opinion the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been properly prepared in accordance with the requirements of the Companies Act 2006,

#### OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements

#### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



**Josef Cohen (Senior Statutory Auditor)**

for and on behalf of LEVY COHEN & CO, Statutory Auditor  
37 Broadhurst Gardens, London, NW6 3QT

28 May 2013

## **DITSCH LIMITED**

### **Profit and loss account** **For the year ended 31 December 2012**

	<i>Notes</i>	<i>2012</i> <b>£</b>	<i>2011</i> <b>£</b>
<b><i>Turnover</i></b>		2,754,151	2,724,566
Cost of sales		<u>(784,824)</u>	<u>(812,901)</u>
<b><i>Gross profit</i></b>		1,969,327	1,911,665
Net operating expenses	2	<u>(2,231,180)</u>	<u>(2,074,993)</u>
<b><i>Operating loss</i></b>	3	(261,853)	(163,328)
Net finance cost	5	<u>(115,285)</u>	<u>(53,030)</u>
<b><i>Loss on ordinary activities before taxation</i></b>		(377,138)	(216,358)
Taxation	6	<u>-</u>	<u>-</u>
<b><i>Loss for the year after taxation</i></b>		<b><u>£ (377,138)</u></b>	<b><u>£ (216,358)</u></b>

#### ***Statement of Retained Loss***

	<i>2012</i> <b>£</b>	<i>2011</i> <b>£</b>
Retained loss as at 1 January 2012	(2,635,596)	(2,419,238)
Loss for the Year	(377,138)	(216,358)
<b><i>Retained loss as at 31 December 2012</i></b>	<b><u>£ (3,012,734)</u></b>	<b><u>£ (2,635,596)</u></b>

## DITSCH LIMITED

### Balance Sheet As At 31 December 2012

		31 12 2012		31 12 2011
<i>Notes</i>	<i>£</i>	<i>£</i>	<i>£</i>	
<b>Fixed assets</b>				
Tangible assets	7		898 192	1 013 563
<b>Current assets</b>				
Stock	8	59 732		49 081
Debtors	9	238 064		303 359
Cash at bank and in hand		309 683		226 593
		607 479		579 033
<b>Creditors: amounts falling due within one year</b>	10	(579 280)		(556,768)
Net current assets			28 199	22 265
<b>Total assets less current liabilities</b>			926 391	1 035 828
<b>Creditors, amounts falling due after more than one year</b>	11		(3 689 125)	(3 421 424)
<b>Total liabilities less assets</b>			£ (2.762.734)	£ (2.385.596)
 <b>Capital and deficit</b>				
		<i>£</i>	<i>£</i>	<i>£</i>
Called up share capital	13	250 000		250 000
Profit and loss account		( 3 012 734)		( 2 635 596)
<b>Shareholders' deficit</b>			£ (2.762.734)	£ (2.385.596)

The financial statements have been prepared in accordance with special provision of Part 15 of the Companies Act 2006 relating to small companies, and with Financial Reporting Standard for Smaller Entities (as revised April 2008)

Signed on behalf of the Board



**E P Ditsch**  
Director

Approved by the Board  
28 May 2013

# **DITSCH LIMITED**

## **Notes to the financial statements - 31 December 2012**

### **1. Accounting policies**

#### **(a) Basis of accounting**

The financial statements have been made under the historical cost convention, and in accordance with the Financial Reporting Standard for small entities (revised April 2008).

#### **(b) Cash flow**

The financial statements do not include a Cash Flow Statement because the company, as a small entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statement'

#### **(c) Turnover**

Turnover represents net invoiced value of goods excluding VAT. All of the sales are attributed to the UK.

#### **(d) Tangible fixed assets**

All fixed assets are initially recorded at cost, but are net of reduction of assets that are not active.

Depreciation is provided at the following annual rates in order to write off the assets over their lives:

Computers & software	3 years
Plant & machinery	3-5 years
Fixtures & fittings	over the leases periods

#### **(e) Stock**

Stock is valued at the lower of cost and net realizable value. Cost includes all direct expenses that were incurred up to the arrival at the warehouse.

#### **(f) Deferred taxation**

Deferred taxation is provided using the liabilities method to take into account timing differences arising from the inclusion of items of expenditure in taxation computations in periods that differ from those in which they are included in the financial statements to the extent that it is probable that the liability or asset will crystallize in the future.

#### **(g) Foreign currencies**

Assets and liabilities in foreign currencies are translated into Sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling the date of the transaction. Exchange rate differences are taken into account in arriving at the operating profit.

#### **(h) Operating lease**

Operating lease rentals are charged to the profit and loss account in equal instalments over the lease term.

#### **(i) Going concern**

The company managed to meet its day to day capital requirements through credit, from its parent company.

The parent company guaranteed to give their continual support to the company and would not insist on the repayment of the amounts owed to it, if it would put at risk the ability of the company to continue as a going concern.

On the basis of the above, the directors consider it appropriate to prepare the financial statement on a going concern basis.

# DITSCH LIMITED

## Notes to the financial statements - 31 December 2012

### 2. *Net operating expenses*

	<i>2012</i> £	<i>2011</i> £
Distribution costs	34,842	33,400
Administrative expenses	2,261,088	2,083,432
Other operating income	<u>(64,750)</u>	<u>(41,839)</u>
	<u><u>2,231,180</u></u>	<u><u>2,074,993</u></u>

### 3. *Operating loss*

	<i>2012</i> £	<i>2011</i> £
Operating profit is stated after charging		
Depreciation on tangible fixed assets	344,499	280,623
Directors' remuneration (see note 4)	125,074	124,879
Auditors fees	<u>8,500</u>	<u>8,500</u>

### 4. *Directors' remuneration*

The number of paid directors were as follows

	<i>2012</i> Number	<i>2011</i> Number
	<u>1</u>	<u>1</u>
	<i>2012</i> £	<i>2011</i> £
Salary and National Insurance	<u>125,074</u>	<u>124,879</u>

### 5. *Net finance cost*

	<i>2012</i> £	<i>2011</i> £
Bank interest receivable	53	137
Exchange rate gains	24,297	53,107
Interest payable to parent company	<u>(139,635)</u>	<u>(106,274)</u>
	<u><u>(115,285)</u></u>	<u><u>(53,030)</u></u>

## DITSCH LIMITED

### Notes to the financial statements - 31 December 2012

#### 6 *Taxation*

Corporation tax liability is not arisen as a result of loss for tax purposes (2011 Nil)  
 Deferred tax provision are netted against deferred tax asset Excess of deferred tax asset that is relating to the loss is not disclosed until it will be clear that profit will materialise in the future

#### 7. *Tangible fixed assets*

	<i>Leasehold Improvement</i>	<i>Computers &amp; Software</i> £	<i>Plant &amp; Machinery</i> £	<i>Fixtures &amp; Fittings</i> £	<i>Total</i> £
<b>Cost:</b>					
As at 1 January 2012	1,370,941	8,523	301,145	7,442	1,688,051
Additions	198,732	-	32,396	-	231,128
Disposal	(2,000)	-	-	-	(2,000)
At 31 December 2012	<u>1,567,673</u>	<u>8,523</u>	<u>333,541</u>	<u>7,442</u>	<u>1,917,179</u>
<b>Depreciation:</b>					
As at 1 January 2012	511,193	6,009	154,901	2,385	674,488
Charge for the year	289,418	1,348	52,747	986	344,499
At 31 December 2012	<u>800,611</u>	<u>7,357</u>	<u>207,648</u>	<u>3,371</u>	<u>1,018,987</u>
<b>Net book value</b>					
At 31 December 2012	<u>767,062</u>	<u>1,166</u>	<u>125,893</u>	<u>4,071</u>	<u>898,192</u>
At 31 December 2011	<u>859,748</u>	<u>2,514</u>	<u>146,244</u>	<u>5,057</u>	<u>1,013,563</u>

#### 8. *Stock*

	<i>31 12 2012</i> £	<i>31 12 2011</i> £
Finished goods	<u>59,732</u>	<u>49,081</u>

#### 9 *Debtors*

	<i>31 12 2012</i> £	<i>31 12 2011</i> £
Trade debtors	21,000	17,303
Other debtors	8,266	89,021
Prepayments	208,798	197,035
	<u>238,064</u>	<u>303,359</u>

An amount of £Nil (2011 - £89,021) included in the other debtors is due after more than 1 year



## DITSCH LIMITED

### Notes to the financial statements - 31 December 2012

**10. Creditors' amounts falling due within one year**

	31 12 2012	31 12 2011
	£	£
Bank overdraft	-	15,726
Trade creditors	367,277	84,708
Amounts owed to parent undertaking	2,063	-
Amounts owed to group undertaking	-	121,351
Other creditors	61,593	126,796
Other Taxes and social security costs	10,978	11,042
VAT	60,694	57,081
Accruals	76,675	140,064
	<u>579,280</u>	<u>556,768</u>

**11 Creditors' amounts falling due after more than one year**

	31 12 2012	31 12 2011
	£	£
Shareholder loan	<u>3,689,125</u>	<u>3,421,424</u>
	<u>3,689,125</u>	<u>3,421,424</u>

The above loan is repayable in a period of more than 1 year

Part of the loan is nominated in euros and interest is charged at the rate of between 3%-6% per annum

**12. Commitments under operating leases**

At 31 December 2012 the company had annual commitments under non cancellable operating leases as set out below

	31 12 2012	31 12 2011
	£	£
Operating leases which expire		
Within one year	59,809	40,000
Within one to two years	185,000	59,809
Within two to five years	155,625	285,625
After more than five years	368,250	365,500
	<u>768,684</u>	<u>750,934</u>

**13 Share capital**

	31 12 2012	31 12 2011
	£	£
<i>Authorized</i>		
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>
<i>Allotted, called up and fully paid</i>		
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

**14. Related party transactions**

*Control*

The immediate and ultimate parent undertaking is Ditsch Vermögensverwaltungs GmbH KG, a limited partnersh registered in Germany

*Transactions*

During the year the following transactions were undertaken between the company and related parties on normal trading terms

- The company paid interest to Ditsch Vermögensverwaltungs GmbH KG (their parent company) for the sum of £139,635 (2011 £106,274)