



WILSON SANDFORD LTD
Chartered Accountants
Statutory Auditors & Business Advisors

Annual Report for the Year Ended 5 April 2019

for

**Victoria Bakery Limited Retirement
Benefit Scheme**

Wilson Sandford Limited
Chartered accountants
85 Church Road
Hove
East Sussex
BN3 2BB

**Victoria Bakery Limited Retirement
Benefit Scheme**

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for the Year Ended 5 April 2019**

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**Victoria Bakery Limited Retirement
Benefit Scheme**

**Trustees and Advisers
for the Year Ended 5 April 2019**

Trustees:	D A Freeman J S Freeman
Sponsoring employer:	Victoria Bakery Limited 83 High Street Barnet Hertfordshire EN5 5UR
Enquiries:	Pension Practitioner.com 48 Chorley New Road Bolton BL1 4AP info@pensionpractitioner.com
Accountants:	Wilson Sandford Limited Chartered accountants 85 Church Road Hove East Sussex BN3 2BB
Administrator:	Pension Practitioner.com Dawes House 33-35 Dawes Lane London NW7 4SD

**Victoria Bakery Limited Retirement
Benefit Scheme**

**Trustees' Report
for the Year Ended 5 April 2019**

The trustees present their report for the year ended 5 April 2019.

Management of the scheme

The trustees during the year under review were:

D A Freeman
J S Freeman

The Trustees, named above, are the Trustees at the date of approval and have served throughout the year. The power of appointing and removing Trustees is vested in the Trustees.

The Scheme was established in March 2000 and is governed by a supplemental trust deed dated 05 October 2000 and any subsequent amendments. The address of its principal place of business is 83 High Street, Barnet, Hertfordshire, EN5 5UR. The Scheme provides retirement and death benefits for the directors of Victoria Bakery Limited and their family. It is a defined contribution scheme.

Membership

Details of membership of the scheme during the year are shown below:

	At 6.4.18	Increase	Decrease	At 5.4.19
Active members	2	-	-	2
Pensioners	-	-	-	-
Deferred pensioners	-	-	-	-
	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>

Investment management

The scheme's advisers are named on page one. The Trustees delegate the day-to-day management to professional external investment managers and set the investment strategy for the Scheme after taking advice from the Scheme's Investment Adviser.

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

The Fund Account and Net Assets Statement on pages 5 to 6 show that the value of the scheme's assets increased by £67,173 to £608,736 as at 5 April 2019. The increase was comprised of net additions from dealings with members of £8,400 together with net returns on investments of £58,773.

The value of the investment property was updated in the year.

**Victoria Bakery Limited Retirement
Benefit Scheme**


**Trustees' Report
for the Year Ended 5 April 2019**

Compliance matters

There were no changes or other matters relating to the Scheme during the year.

Signed by the Trustees:


.....
J S Freeman


.....
D A Freeman

Date: 15th August 2019

**Report of the Accountants to the Trustees of
Victoria Bakery Limited Retirement
Benefit Scheme**

We have prepared for your approval the financial statements of Victoria Bakery Retirement Benefit Scheme for the year ended 5 April 2019 which comprise the fund account, the statement of net assets and the related notes from the Scheme's accounting records and from information and explanations you have given 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 www.icaew.com/en/membership/regulations-standards-and-guidance.

This report is made solely to the Board of Victoria Bakery Retirement Benefit Scheme, as a body, in accordance with the terms of our engagement letter dated 12 July 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Victoria Bakery Retirement Benefit Scheme and state those matters that we have agreed to state you, as a body, in this report in accordance with ICAEW Technical Release 08/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Victoria Bakery Retirement Benefit Scheme and its Board, as a body, for our work or for this report.

It is your duty to ensure that Victoria Bakery Retirement Benefit Scheme has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and net increase in funds of Victoria Bakery Retirement Benefit Scheme. You consider that Victoria Bakery Retirement Benefit Scheme is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Victoria Bakery Retirement Benefit Scheme. 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 statutory financial statements.



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Date:2 - 9 - 19.....

**Victoria Bakery Limited Retirement
Benefit Scheme**

**Fund Account
for the Year Ended 5 April 2019**

	Notes	2019 £	2018 £
Contributions and benefits			
Employer contributions		8,400	9,360
Employee contributions		-	-
Total contributions	2	<u>8,400</u>	<u>9,360</u>
 Net additions from dealings with members		 <u>8,400</u>	 <u>9,360</u>
 Returns on investments			
Investment income	3	9,768	12,891
Change in market value of investments	6	48,792	(268)
Investment management expenses	5	<u>213</u>	<u>-</u>
 Net returns on investments		 <u>58,773</u>	 <u>12,623</u>
 Net increase in the fund during the year		 67,173	 21,983
 Net assets of the scheme			
At 6 April 2018		<u>541,563</u>	<u>519,580</u>
At 5 April 2019		<u><u>608,736</u></u>	<u><u>541,563</u></u>

**Victoria Bakery Limited Retirement
Benefit Scheme**

**Statement of Net Assets Available for Benefits
5 April 2019**


	Notes	2019 £	2018 £
Investment assets	6		
Property		210,000	150,000
Pooled investment vehicles	8	336,427	320,995
Cash		74,049	76,068
		<u>620,476</u>	<u>547,063</u>
 Current liabilities	11	 (11,740)	 (5,500)
Net assets of the scheme at 5 April 2019		<u>608,736</u>	<u>541,563</u>

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 15th August 2019

Signed by the Trustees:


.....
J S Freeman


.....
D A Freeman

**Victoria Bakery Limited Retirement
Benefit Scheme**

**Notes to the Financial Statements
for the Year Ended 5 April 2019**

1. Accounting policies

Basis of preparing the financial statements

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" and the guidance set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes (revised November 2014).

The financial statements are presented in sterling which is the functional currency of the pension scheme and rounded to the nearest (£).

Payments to members

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

Individual transfers in and out of the Scheme are accounted for when member liability is accepted or discharged which is normally when the transfer amount is paid or received.

Investment management expenses

Administrative expenses are accounted for on an accruals basis.

Investment income

Rental income is accounted for on an accruals basis.

Income from pooled investment vehicles is accounted for when declared by the fund manager.

Change in market value of investments

The change 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.

Investments

The methods of determining fair value for the principal classes of investments are:

Equities, bonds and certain pooled investment vehicles which are traded on an active market are included at the quoted price, which is normally the bid price.

Where the value of a pooled investment vehicle is primarily driven by the fair value of its underlying assets, the net asset value advised by the fund manager is normally considered a suitable approximation to fair value unless there are restrictions or other factors which prevent realisation at that value, in which case adjustment is made.

Investment property is shown at original cost or valuation as advised the Trustees.

**Victoria Bakery Limited Retirement
Benefit Scheme**

**Notes to the Financial Statements
for the Year Ended 5 April 2019**

2. Contributions

	2019	2018
	£	£
Employer contributions		
Normal contribution receivable	8,400	9,360
Employee contributions	-	-
Total contributions	8,400	9,360

3. Investment income

	2019	2018
	£	£
Net rents from properties	9,150	12,375
Bank interest receivable	618	516
	9,768	12,891

4. Taxation

The Scheme is a registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004 and therefore exempt from income tax and capital gains tax.

5. Investment management expenses

	2019	2018
	£	£
Administration, management and custody	(213)	-

6. Reconciliation of investments

	Value at 6/4/18 £	Purchases at cost £	Change in market value £	Value at 5/4/19 £
Property	150,000	18,240	41,760	210,000
Pooled investment vehicles	320,995	8,400	7,032	336,427
	470,995	26,640	48,792	546,427
Cash	76,068			74,049
	547,063			620,476

The above investments are undesignated and held for the general purpose of the scheme.

**Victoria Bakery Limited Retirement
Benefit Scheme**

**Notes to the Financial Statements
for the Year Ended 5 April 2019**

7. Transaction costs

Transaction costs are included in the cost of purchases and deducted from sale proceeds. Direct transaction costs include costs charged to the Scheme such as fees, commissions and stamp duty.

In addition to the transaction costs disclosed above, indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles and charges made within those vehicles.

8. Pooled investment vehicles

	2019 £	2018 £
Other	<u>336,427</u>	<u>320,995</u>

9. Fair value determination

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

Level 1	The unadjusted quote price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included with Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
Level 3	Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The scheme's investment assets have been fair valued using the above hierarchy levels as follows:

5 April 2019

	Level 1 £	Level 2 £	Level 3 £	Total £
Property	-	210,000	-	210,000
Pooled investment vehicles	336,427	-	-	336,427
Cash	74,049	-	-	74,049
	<u>410,476</u>	<u>210,000</u>	<u>-</u>	<u>620,476</u>

5 April 2018

	Level 1 £	Level 2 £	Level 3 £	Total £
Property	-	150,000	-	150,000
Pooled investment vehicles	320,995	-	-	320,995
Cash	76,068	-	-	76,068
	<u>397,063</u>	<u>150,000</u>	<u>-</u>	<u>547,063</u>

**Victoria Bakery Limited Retirement
Benefit Scheme**

**Notes to the Financial Statements
for the Year Ended 5 April 2019**

10. 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 the 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.

Investment strategy

The trustees determine their investment strategy after taking advice from a professional investment adviser.

The scheme has exposure to these risks because of the investments it makes in following the investment strategy set out below. 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.

These investment objectives and risk limits are implemented through the investment management agreements in place with the scheme's investment managers and monitored by the trustees by regular reviews of the investment portfolio.

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.

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

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 arrangement 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.

**Victoria Bakery Limited Retirement
Benefit Scheme**

**Notes to the Financial Statements
for the Year Ended 5 April 2019**

10. Investment risk disclosures - continued

Market risk

The Scheme is subject to property market risk, 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 cash deposits and property represent more than 5% of the scheme's net assets.

11. Current liabilities

	2019	2018
	£	£
Other creditors	<u>11,740</u>	<u>5,500</u>

12. Related party disclosures

Administrative expenses are borne by the sponsoring employer.