

COMPANY NUMBER:
4167764 (ENGLAND & WALES)

CHADLINGTON QUALITY FOODS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

THE SOUTHILL PARTNERSHIP
CHARTERED ACCOUNTANTS
SOUTHILL
CORNBURY PARK
CHARLBURY
OXFORDSHIRE
OX7 3EW

CHADLINGTON QUALITY FOODS LIMITED

COMPANY INFORMATION

Company Number: 4167764 (England & Wales)

Directors: K L Burling
H E Oldroyd
M F Smith

Secretary: K L Burling

Registered Office: 6 Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

Accountants: The Southill Partnership
Chartered Accountants
Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

Bankers: HSBC PLC
18 Market Place
Chipping Norton
Oxfordshire
OX7 5NE

CHADLINGTON QUALITY FOODS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH JUNE 2004

The directors present their report and the financial statements for the year ended 30th June 2004.

Principal activities

The principal activity of the company is the retail of quality foods.

Review of business

The directors consider the profit achieved on ordinary activities before taxation to be particularly satisfactory.

Fixed assets

Changes in fixed assets during the year are set out in the notes to the financial statements.

Results and dividends

The directors do not recommend a dividend and it is proposed that the retained profit of £5,416 be transferred to reserves.

Directors' interests

The directors of the company during the year and their interests in the share capital of the company as recorded in the register of directors' interests were as follows:

	<u>2004</u>	<u>2003</u>
	<u>No.</u>	<u>of shares</u>
K L Burling - direct	150	150
- beneficially	150	150
H E Oldroyd	1,000	1,000
M F Smith - direct	126	126
- beneficially	125	125

On behalf of the board

.....
M F Smith

Date:

6 Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

ACCOUNTANTS' REPORT
TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF CHADLINGTON QUALITY
FOODS LIMITED

As described in the balance sheet you are responsible for the preparation of the financial statements for the year ended 30th June 2004 set out on pages 3 to 8 and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory requirements, from the accounting records and from information and explanations supplied to us.

.....
The Southill Partnership
Chartered Accountants
Southill
Cornbury Park
Charlbury
Oxfordshire
OX7 3EW

Dated:

CHADLINGTON QUALITY FOODS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 2004

	<u>Note</u>	<u>2004</u> £	<u>2003</u> £
<u>Turnover</u>	2	210,678	209,811
Cost of sales		(130,433)	(140,331)
<u>Gross profit</u>		80,245	69,480
Administrative expenses		(74,994)	(72,002)
<u>Operating profit/(loss)</u>	3	5,251	(2,522)
Other interest receivable and similar income		165	107
<u>Profit/(loss) on ordinary activities before taxation and retained profit/(loss) for the year</u>		£5,416	£(2,415)

The company has made no acquisitions nor discontinued any operations within the meaning of Financial Reporting Standard 3 during 2004 therefore turnover and operating profit derive entirely from continued operations.

The company has no recognised gains or losses other than the profit for the financial year.

The annexed notes form part of these financial statements.

CHADLINGTON QUALITY FOODS LIMITED

BALANCE SHEET AS AT 30TH JUNE 2004

	<u>Note</u>	<u>2004</u>		<u>2003</u>	
		£	£	£	£
<u>Fixed assets</u>					
Tangible assets	5		14,677		19,570
<u>Current assets</u>					
Stocks	6	10,706		8,256	
Debtors	7	7,295		9,488	
Cash at bank and in hand		17,463		22,558	
		<hr/>		<hr/>	
		35,464		40,302	
<u>Creditors</u>					
Amounts falling due within one year	8	(11,936)		(25,504)	
		<hr/>		<hr/>	
<u>Net current assets</u>			23,528		14,798
			<hr/>		<hr/>
<u>Total assets less current liabilities</u>			38,205		34,368
<u>Provisions</u>					
Deferred grant	9		(3,157)		(4,736)
			<hr/>		<hr/>
<u>Net assets</u>			£ 35,048		£ 29,632
			<hr/> <hr/>		<hr/> <hr/>
<u>Capital and reserves</u>					
Called up share capital	10		35,375		35,375
Profit and loss account	11		(327)		(5,743)
			<hr/>		<hr/>
<u>Shareholders' funds</u>	12		£ 35,048		£ 29,632
			<hr/> <hr/>		<hr/> <hr/>

In the opinion of the directors the company is entitled to claim exemptions from audit by virtue of subsection (1) of Section 249A of the Companies Act 1985. Members have not required the company, under s.249B(2) of the Companies Act 1985, to obtain an audit for the year ended 30th June 2004. The directors are responsible for ensuring that the company maintains accounting records in compliance with Section 221 of that Act and for preparing accounts which give a true and fair view of the affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with Section 226, and which comply with the other requirements of the Act relating to the accounts so far as applicable to the company.

Approved by the board of directors on (date):

.....
K L Burling

The annexed notes form part of these financial statements.

CHADLINGTON QUALITY FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2004

1. **Accounting policies**

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

Cashflow statement

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Depreciation and diminution in value of assets

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment 25% reducing balance basis

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Goodwill

Goodwill is written off in the year of acquisition.

Grants received

Grants related to capital expenditure on tangible assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grants relate.

2. **Turnover**

Turnover is attributable solely to continuing operations and derives from one activity that of marketing.

3. **Operating profit**

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
This is stated after charging:		
Depreciation of owned assets	4,893	4,884
	<u> </u>	<u> </u>

CHADLINGTON QUALITY FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30TH JUNE 2004

4. **Staff costs**

The average number of persons employed by the company, including directors, during the year was as follows:

	<u>2004</u>	<u>2003</u>
Management and administration	3	3
Retail staff	10	9
	<u>13</u>	<u>12</u>
	<u><u>13</u></u>	<u><u>12</u></u>

The aggregate payroll costs of these persons were as follows:

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Wages and salaries	46,823	43,370
Social security	2,081	1,830
	<u>£48,904</u>	<u>£45,200</u>
	<u><u>£48,904</u></u>	<u><u>£45,200</u></u>

5. **Tangible fixed assets**

	<u>Equipment</u>
	<u>£</u>
Cost:	
At 30th June 2003	30,299
	<u>30,299</u>
At 30th June 2004	30,299
	<u>30,299</u>
Depreciation:	
At 30th June 2003	10,729
Charge for the year	4,893
	<u>15,622</u>
At 30th June 2004	15,622
	<u>15,622</u>
Net book value:	
At 30th June 2004	£14,677
	<u><u>£14,677</u></u>
At 30th June 2003	£19,570
	<u><u>£19,570</u></u>

CHADLINGTON QUALITY FOODS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30TH JUNE 2004

6.	<u>Stocks</u>	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
	Goods for resale	10,706	8,256
		£10,706	£ 8,256
		£10,706	£ 8,256
7.	<u>Debtors</u>	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
	Due within one year:		
	Trade debtors	6,135	6,862
	Taxation	445	1,468
	Prepayments	715	1,158
		£7,295	£9,488
		£7,295	£9,488
8.	<u>Creditors - amounts falling due within one year</u>	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
	Trade creditors	10,858	23,321
	Other taxes and social security	143	1,238
	Accruals and deferred income	935	945
		£11,936	£25,504
		£11,936	£25,504
9.	<u>Deferred grant</u>		<u>2004</u> <u>£</u>
	Balance at 30th June 2003		4,736
	Utilised for the year in profit and loss account		(1,579)
			£ 3,157
	Balance at 30th June 2004		£ 3,157

CHADLINGTON QUALITY FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30TH JUNE 2004

10. **Share capital**

	<u>2004</u>	<u>2003</u>
	£	£
<u>Authorised</u>		
Ordinary shares of £1 each	50,000	50,000
	<u> </u>	<u> </u>
	£	£
<u>Allotted, called up and fully paid</u>		
Ordinary shares of £1 each	35,375	35,375
	<u> </u>	<u> </u>

11. **Profit and loss account**

	<u>2004</u>
	£
Balance at 30th June 2003	(5,743)
Profit retained for the year	5,416
	<u> </u>
Balance at 30th June 2004	£(327)
	<u> </u>

12. **Reconciliation of movements in shareholders' funds**

	<u>2004</u>	<u>2003</u>
	£	£
Profit/(loss) for the financial year	5,416	(2,415)
Shareholders' funds at 30th June 2003	29,632	32,047
	<u> </u>	<u> </u>
Shareholders' funds at 30th June 2004	£35,048	£29,632
	<u> </u>	<u> </u>

CHADLINGTON QUALITY FOODS LIMITED
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 2004

	<u>£</u>	<u>2004</u>	<u>£</u>	<u>£</u>	<u>2003</u>	<u>£</u>
<u>Turnover</u>						
Sales		209,099			208,682	
<u>Other direct income</u>						
Release of deferred grant		1,579			1,129	
		<u>210,678</u>			<u>209,811</u>	
<u>Cost of sales</u>						
Purchases	130,433			140,331		
	<u>130,433</u>			<u>140,331</u>		
<u>Gross profit</u>		80,245			69,480	
<u>Miscellaneous other operating income</u>						
Other interest receivable and similar		165			107	
		<u>80,410</u>			<u>69,587</u>	

CHADLINGTON QUALITY FOODS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (Continued)

FOR THE YEAR ENDED 30TH JUNE 2004

	<u>£</u>	<u>2004</u>	<u>£</u>	<u>2003</u>	<u>£</u>
<u>Overheads</u>					
Wages and salaries	46,823			43,370	
Employers NIC	2,081			1,830	
Depreciation	4,893			4,884	
Gifts and donations	59			653	
Accountancy	865			600	
Printing, stationery and paper	699			442	
Telephone and fax	260			290	
Postage	218			82	
Bank charges	1,045			95	
Advertising	248			111	
Book keeping	4,941			3,277	
Motor expenses	127			363	
Repairs and renewals	1,192			588	
Rent and service charges	5,200			5,200	
Rates	698			439	
Light and heat	3,009			4,047	
Insurance	665			736	
Bad debts	569			3,087	
Credit card charges	1,016			966	
Cleaning	131			496	
Sundries	255			446	
			74,994		72,002
			<u>£5,416</u>		<u>£(2,415)</u>
<u>Profit/(loss) on ordinary activities</u>			<u><u>£5,416</u></u>		<u><u>£(2,415)</u></u>

CHADLINGTON QUALITY FOODS LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2004

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