

HUNTS BAKERIES LIMITED

Registered No : 301607

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

30 SEPTEMBER 1997



GRIFFITH & MILES
CHARTERED ACCOUNTANTS AND
REGISTERED AUDITOR

SWANSEA

**AUDITORS' REPORT TO HUNTS BAKERIES LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

1.

We have examined the abbreviated accounts on pages 2 to 6 together with the financial statements of Hunts Bakeries Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 September 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30 September 1997, and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with that Schedule.

Other information

On *5 December* 1997 we reported as auditors of Hunts Bakeries Limited to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 September 1997, and our audit report was as follows :

"We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out on pages 4 and 5.

Respective responsibilities of directors and auditors

As described on pages 1 and 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Griffith & Miles
Griffith & Miles
Chartered Accountants and
Registered Auditor
Swansea

5 December 1997

ABBREVIATED BALANCE SHEET AT 30 SEPTEMBER 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
FIXED ASSETS			
Tangible assets	2	401,943	429,571
Investments	3	3,749	10,654
		405,692	440,225
CURRENT ASSETS			
Stock		8,284	8,088
Debtors		41,006	32,656
Cash		92	-
		49,382	40,744
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR			
		169,326	219,458
NET CURRENT (LIABILITIES)		(119,944)	(178,714)
TOTAL ASSETS LESS CURRENT LIABILITIES		285,748	261,511
CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	4	80,635	92,706
PROVISION FOR LIABILITIES AND CHARGES : Deferred taxation		-	-
NET ASSETS		£205,113	£168,805
CAPITAL AND RESERVES			
Called-up share capital	5	190,000	190,000
Profit and loss account		15,113	(21,195)
SHAREHOLDERS' FUNDS		£205,113	£168,805

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

The financial statements on pages 2 to 6 were approved by the Board of Directors on 5 December 1997.

H. J. H. P. . }
J. H. H. P. }

Directors

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 1997****1. ACCOUNTING POLICIES****BASIS OF ACCOUNTING**

The financial statements are prepared under the historical cost convention of accounting and in accordance with applicable Accounting Standards.

TANGIBLE FIXED ASSETS

Land, buildings, plant and machinery, furniture and fittings and vehicles are stated at cost less accumulated depreciation.

Depreciation is calculated to write off the cost of fixed assets over their expected useful lives by equal annual instalments from the date of acquisition.

The periods generally applicable, which are consistent with those of previous years are :

Freehold property	50 years
Leasehold property (long term)	125 years
Leasehold property	5 years
Motor Vehicles	5 years
Furniture and fittings	4 - 10 years
Plant and machinery	10 years

Government grants receivable in respect of expenditure on plant and machinery are transferred to a deferred credit account and are released to profit and loss account over the useful lives of the assets to which they relate.

INVESTMENTS

Investments are stated at the lower of cost or net realisable value.

STOCK

Stocks are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

HIRE PURCHASE AND LEASED ASSETS

Assets obtained under finance leases and hire purchase contracts are included in the balance sheet at fair value at the time the agreement was entered into less cumulative depreciation, and the present value of future rentals is shown as a liability.

The interest element of repayments is charged to the profit and loss account over the term of the lease or contract on a straight line basis.

DEFERRED TAXATION

The company provides deferred taxation to take account of timing differences arising from the treatment of certain items for accounts purposes and their treatment for taxation purposes to the extent that it is probable that a liability for taxation will crystallise as a result of the reversal of those timing differences. The provision has been calculated at appropriate rates of taxation.

TURNOVER

Turnover from continuing operations represents the value of goods sold to customers during the year less returns and is stated net of value added tax.

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1997**1. ACCOUNTING POLICIES (CONTINUED)****PENSIONS**

The company operates a self administered retirement and death benefit scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. No pension contributions were due but unpaid at the year end, and the cost of the contributions are charged to the profit and loss account as incurred.

CASH FLOW STATEMENT

The company qualifies as a small company under the Companies Act 1985. The directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

CONSOLIDATED ACCOUNTS

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 and has not prepared Group accounts.

2. TANGIBLE FIXED ASSETS	Plant and Machinery £	Furniture and Fittings £	Motor Vehicles £	Freehold Property £	Leasehold Property £	Total £
COST						
At 1 October 1996	258,874	108,389	36,220	134,981	201,502	739,966
Additions	1,730	3,000	15,800	-	-	20,530
At 30 September 1997	260,604	111,389	52,020	134,981	201,502	760,496
DEPRECIATION						
At 1 October 1996	191,180	67,762	17,128	17,415	16,910	310,395
Charge for the year	26,061	10,077	6,364	2,699	2,957	48,158
At 30 September 1997	217,241	77,839	23,492	20,114	19,867	358,553
NET BOOK VALUE						
At 30 September 1997	£43,363	£33,550	£28,528	£114,867	£181,635	£401,943
At 30 September 1996	£67,694	£40,627	£19,092	£117,566	£184,592	£429,571

The net book value of assets held under hire purchase agreements amounted to £28,528 (1996 : £19,092). The depreciation charge for the year in relation to these assets amounted to £6,364 (1996 : £6,364). The net book value of leasehold property amounting to £181,635 (1996 : £184,592) is split as follows :

	<u>1997</u> £	<u>1996</u> £
Short leasehold property	1,634	3,035
Long leasehold property	180,001	181,557
	£181,635	£184,592

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 1997**

3. INVESTMENTS

	<u>1997</u>	<u>1996</u>
	£	£
Fixed :		
Griffiths & Co (Barry) Ltd - 100% shareholding	100	10,000
Unlisted shares - at cost	654	654
Listed shares	2,995	-
	£3,749	£ 10,654

At 30 September 1997 the aggregate amount of the share capital and reserves of the subsidiary undertaking amounted to £100, and that company was dormant throughout the financial year.

During the year the investment in the subsidiary was written down to a nominal value.

The market value of the listed shares at the year end was £4,314.

4. CREDITORS

	<u>1997</u>	<u>1996</u>
	£	£
Amounts falling due after more than one year :		
Hire purchase obligations (secured)	8,000	712
Deferred credits	-	838
Secured endowment loan at variable interest rates repayable by 28 January 2005	72,535	81,156
Amounts due to subsidiary company	100	10,000
	£ 80,635	£ 92,706

The bank overdraft, bank loan and endowment loan amounting in total to £154,231 (1996 : £199,199) are secured by a fixed and floating charge over the assets and undertakings of the company.

The obligations due under hire purchase agreements are secured on the assets to which they relate.

Borrowings are repayable as follows :	<u>1997</u>	<u>1996</u>
	£	£
Secured endowment loan at variable interest rates repayable by 28 January 2005		
Between one and two years	8,000	8,106
Between two and five years	32,000	29,321
Greater than five years	32,535	43,729
	£ 72,535	£ 81,156

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 1997****5. CALLED-UP SHARE CAPITAL**

	<u>1997</u>	<u>1996</u>
Authorised : 500,000 Ordinary shares of £1 each	£500,000	£500,000
Allotted, called-up and fully paid 190,000 Ordinary shares of £1 each	£190,000	£190,000