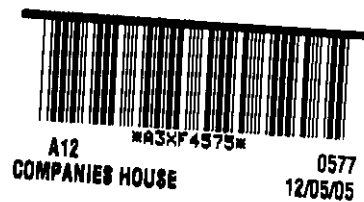


50021

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FOR THE YEAR ENDED 31 MAY 2004

Company Registered in England & Wales No. 533921

E P BRAND (FARMERS) LIMITED

Company Information

Directors	A J Rule C D Dyer N George
Secretary	C D Dyer
Company Number	533921 (England and Wales)
Registered Office	88 High Street Ramsey Huntingdon Cambs PE26 1BS
Auditors	SR Howell & Co Chartered Certified Accountants & Registered Auditors 88 High Street Ramsey Huntingdon Cambs PE26 1BS

E P BRAND (FARMERS) LIMITED

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E P BRAND (FARMERS) LIMITED

Directors' Report for the Year Ended 31 May 2004

The Directors present their report and the financial statements for the year ended 31 May 2004.

Statement of Directors responsibilities

Company law requires the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements 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.

Principle activity

The company's principle activity continues to be that of farming, agricultural contractors and vehicle procurement.

Directors

The Directors at 31 May 2004 and their interest in the share capital of the company were as follow:

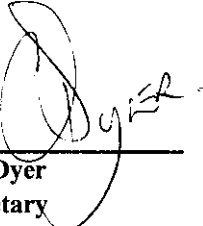
	Number of shares	
	2004	2003
A J Rule	4,505	5,000
C D Dyer	4,505	5,000
N George (appointed 01/10/03)	495	-

Auditors

The auditors, SR Howell and Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

Small company rules

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. It was approved by the board on 23rd March 2005 and signed on its behalf.



C D Dyer
Secretary

E P BRAND (FARMERS) LIMITED

Independent Auditors' Report to the Shareholders of E P Brand (Farmers) Limited

We have audited the financial statements of E P Brand (Farmers) Limited for the year ended 31 May 2004 on pages 3 to 9. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and accounting policies set out on page 5.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters that we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, or the opinions we have formed.

Respective responsibilities of the Directors and Auditors

As described in the Statement of Director's Responsibilities on page 1, the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's Report is not consistent with the financial statements, if 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 director's remuneration and transactions with the company is not disclosed.

We read the Director's 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 United Kingdom 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 as at 31 May 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SR Howell & Co
Chartered Certified Accountants
and Registered Auditors
88 High Street
Ramsey
Huntingdon
Cambs PE26 1BS

24th March 2005

E P BRAND (FARMERS) LIMITED

Profit and Loss Account For the Year Ended 31 May 2004

	Notes	2004 £	2003 £
Turnover		2,629,277	3,363,135
Cost of Sales		<u>2,299,131</u>	<u>3,103,117</u>
Gross Profit		330,146	260,018
Administrative expenses		<u>201,705</u>	<u>208,260</u>
Operating Profit	2	128,441	51,758
Profit/(Loss) on disposal of tangible fixed assets		<u>5,114</u>	<u>(8,549)</u>
Profit on ordinary activities before interest		133,555	43,209
Interest Receivable		148	128
Interest Payable	3	(55,338)	(34,698)
Profit on ordinary activities before taxation		<u>78,365</u>	<u>8,639</u>
Taxation on Profit on ordinary activities	4	<u>5,567</u>	<u>(1,983)</u>
Profit on ordinary activities after taxation		72,798	10,622
Dividends		<u>77,273</u>	<u>48,000</u>
Retained (Deficit) for the Year		(4,475)	(37,378)
Retained Profit brought forward		234,899	272,277
Retained Profit carried forward		<u><u>230,424</u></u>	<u><u>234,899</u></u>

The notes on pages 5 to 9 form part of these financial statements.

E P BRAND (FARMERS) LIMITED

Balance Sheet as at 31 May 2004

	Notes	2004 £	2003 £
Fixed Assets			
Tangible assets	5	1,300,245	1,298,476
Current Assets			
Stocks		342,921	302,434
Debtors	6	127,080	136,922
Cash at Bank and in hand		4,955	51,752
		<u>474,956</u>	<u>491,108</u>
Creditors: amounts falling due within one year	7	<u>(464,511)</u>	<u>(420,033)</u>
Net Current Assets		<u>10,445</u>	<u>71,075</u>
Total assets less current liabilities		1,310,690	1,369,551
Creditors: amounts falling due after more than one year	8	(1,063,110)	(1,120,038)
Provisions for liabilities and charges			
Deferred taxation	9	<u>(7,156)</u>	<u>(4,614)</u>
Net Assets		<u>240,424</u>	<u>244,899</u>
Capital and Reserves			
Called up share capital	10	10,000	10,000
Profit and Loss Account		<u>230,424</u>	<u>234,899</u>
Shareholders' funds		<u>240,424</u>	<u>244,899</u>

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the board on 23rd March 2005 and signed on its behalf.



A J Rule
Director

The notes on pages 5 to 9 form part of these financial statements.

E P BRAND (FARMERS) LIMITED

Notes to the financial statements for the Year Ended 31 May 2004

1 Accounting Policies

1.1 Basis of preparation of financial statements

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

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following basis:

Freehold Land	Not Depreciated
Buildings	2% Straight Line
Leasehold Improvements	10% Straight Line
Plant & Machinery	15 - 25% Reducing Balance

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.6 Stocks and work in progress

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

1.7 Deferred taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. In accordance with FRS19, deferred taxation is not recognised on revaluation gains. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

1.8 Pensions

The company operates a defined contribution scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

E P BRAND (FARMERS) LIMITED

Notes to the financial statements continued

	2004 £	2003 £
2 Operating Profit		
The Operating Profit is stated after charging:		
Amortisation intangible fixed assets	-	4,048
Depreciation of tangible fixed assets		
- owned by the Company	33,535	35,833
- held under finance leases	9,390	3,568
Auditor's Remuneration	3,000	3,000
Operating lease rentals:		
- plant and machinery	7,405	9,922
Directors' emoluments	76,670	18,350
Pension costs	4,615	2,359
3 Interest payable		
Included in interest payable is interest on finance leases and hire purchase contracts of £1,661 (2003 - £2,094).		
4 Taxation		
	2004 £	2003 £
UK Corporation Tax	3,101	-
Previous years overprovision	(76)	
Transfer to/(from) deferred taxation	2,542	(1,983)
	<u>5,567</u>	<u>(1,983)</u>

E P BRAND (FARMERS) LIMITED

Notes to the financial statements continued

5 Tangible fixed assets

	Land & Buildings £	Plant & Machinery £	Total £
Cost			
At 1 June 2003	1,182,144	377,375	1,559,519
Additions	-	55,941	55,941
Disposals	(112)	(27,224)	(27,336)
At 31 May 2004	<u>1,182,032</u>	<u>406,092</u>	<u>1,588,124</u>
Depreciation			
At 1 June 2003	13,048	247,995	261,043
Disposals	-	(16,089)	(16,089)
Annual Charge	5,936	36,989	42,925
At 31 May 2004	<u>18,984</u>	<u>268,895</u>	<u>287,879</u>
Net Book Values			
At 31 May 2004	<u><u>1,163,048</u></u>	<u><u>137,197</u></u>	<u><u>1,300,245</u></u>
At 31 May 2003	<u><u>1,169,096</u></u>	<u><u>129,380</u></u>	<u><u>1,298,476</u></u>

Included above are plant and machinery held under finance leases or hire purchase contracts amounting to £34,827 (2003 - £14,272).

Included in Land & Buildings is land at cost of £970,049 (2003 - £970,161) which is not depreciated.

E P BRAND (FARMERS) LIMITED

Notes to the financial statements continued

6 Debtors

	2004 £	2003 £
Trade Debtors	110,995	118,441
Other Debtors	16,085	18,481
	<u>127,080</u>	<u>136,922</u>

7 Creditors: amounts falling due within one year

	2004 £	2003 £
Loans and overdrafts (secured)	247,873	186,058
Net obligations under finance lease and hire purchase contracts (secured)	12,089	4,267
Trade Creditors	72,189	152,869
Corporation Tax	3,101	-
Other Creditors	129,259	76,839
	<u>464,511</u>	<u>420,033</u>

Included within other creditors is an amount of £3,583 (2003 - £8,008) relating to social security and other taxes.

8 Creditors: amounts falling due after more than one year

	2004 £	2003 £
Loans (secured)	1,045,305	1,115,575
Net obligations under finance lease and hire purchase contracts (secured)	17,805	4,463
	<u>1,063,110</u>	<u>1,120,038</u>

Bank loans outstanding at the year end amounted to £956,212 (2003 - £1,008,693) which are payable as follows:-

	2004 £	2003 £
Within one year and on demand	45,148	52,119
Between one and two years	47,633	54,464
Between two and five years	159,202	178,543
After more than five years	704,229	723,567
	<u>956,212</u>	<u>1,008,693</u>

E P BRAND (FARMERS) LIMITED

Notes to the financial statements continued

9 Deferred taxation

	2004 £	2003 £
Balance at 1 June	4,614	6,597
Charge/(Credit) for the year	2,542	(1,983)
Balance at 31 May	<u>7,156</u>	<u>4,614</u>

The provision for deferred taxation is made up of accelerated capital allowances.

10 Called up share capital

	2004 £	2003 £
Authorised		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

11 Related Parties

CDR Properties is a partnership, in which Mr A J Rule and Mr C D Dyer, each own 25%. E P Brand (Farmers) Limited is currently renting office space from CDR Properties, paying £6,600 (2003 - £6,600) during the year.

At the balance sheet date, included in other creditors is the amount outstanding on the directors loan account of £122,060 (2003 - £63,097).

Included in Loans (due after more than one year) is the balance on R Dyer's loan account (father of C D Dyer) totalling £115,000 (2003 - £133,000).