

WALTER PEARSON AND SONS (FARMS) LIMITED

ABBREVIATED STATUTORY ACCOUNTS

FOR THE YEAR ENDED 28TH FEBRUARY 1997

Company Number: 934310 (England and Wales)



AUDITORS REPORT TO WALTER PEARSON AND SONS (FARMS) LIMITED
under section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of the company for the year ended 28th February 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Lucas & Sharpe

Lucas and Sharpe
Registered Auditors and Accountants
5 South Square
Boston
Lincs

17th October 1997

WALTER PEARSON AND SONS (FARMS) LIMITED**Abbreviated Balance Sheet at 28th February 1997**

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£	£
<u>Fixed Assets</u>			
Tangible Assets	2)	56365	44296
<u>Current Assets</u>			
Valuation		79284	85991
Debtors		51335	62378
Cash at Bank and in Hand		9055	39959
		139674	188328
<u>Creditors</u> : amounts falling due within one year		(108962)	(115811)
<u>Net Current Assets</u>		30712	72517
<u>Total Assets less Current Liabilities</u>		87077	116813
<u>Provisions for Liabilities and Charges</u>			
Deferred Taxation		(2608)	(6664)
<u>Net Assets</u>		84469	110149
<u>Capital and Reserves</u>			
Called Up Share Capital	3)	14000	14000
Capital Reserves		37214	37214
Profit and Loss Account		33255	58935
Equity Shareholders' Funds		84469	110149

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 17th October 1997 and signed on its behalf.

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P. J. Pearson

P J Pearson
Director

The notes on pages 3 and 4 form part of these abbreviated accounts.

WALTER PEARSON AND SONS (FARMS) LIMITED**Notes to the Financial Statements**
For the year ended 28th February 1997**1. ACCOUNTING POLICIES****a) Basis of preparation of Financial Statements**

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

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

b) Turnover

Turnover comprises the amount receivable for goods and services sold in the year, net of Value Added Tax, and after adjusting for stocks included in opening and closing valuations.

c) 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, less their estimated residual value, over their expected useful lives on the following bases:

Grain Drier & Store	12.5% reducing balance basis
Implements & Machinery	12.5% reducing balance basis
Tractors and Equipment	30% reducing balance basis
Leased Assets	30% reducing balance basis
Motor Vehicles	25% reducing balance basis
Harvesters	30% reducing balance basis
Office Equipment	12.5% reducing balance basis

d) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease 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.

e) Stock

The valuation of stock is carried out by independent valuers, James Eley and Son, 1 Main Ridge West, Boston, and has been valued at cost of production.

f) Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

WALTER PEARSON AND SONS (FARMS) LIMITED**Notes to the Abbreviated Accounts
For the year ended 28th February 1997**g) **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.

2. TANGIBLE FIXED ASSETS

<u>Cost</u>	<u>Tangible Fixed Assets</u>
At 1st March 1996	296065
Additions	6612
Disposals	(1207)
Transfer W E Pearson & Sons Ltd	13847
At 28th February 1997	315317
<u>Depreciation</u>	
At 1st March 1996	251769
On Disposals	-
Charge for the year	7183
At 28th February 1997	258952
<u>Net Book Values</u>	
At 28th February 1997	56365
At 28th February 1996	44296

3. DEBTORS

All due within one year

4. CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	£	£
<u>Authorised:</u>		
Ordinary Shares of £1 each	15000	15000
<u>Allotted:</u>		
Ordinary Shares of £1 each, fully paid	14000	14000

5. RELATED PARTY TRANSACTIONS

During the year, produce to the value of £280042 (1996 - £297,173) was sold to P I P (Farm Produce) Ltd., a company controlled by the Directors of Walter Pearson & Sons (Farms) Ltd. The sales were in the normal course of trading and on the commercial terms of other customers.

At the year end the Company was owed £39071 by P I P (Farm Produce) Ltd all of which was received afterdate. The Company owed £168 to P I P (Farm Produce) Ltd at the year end and this was subsequently paid.