

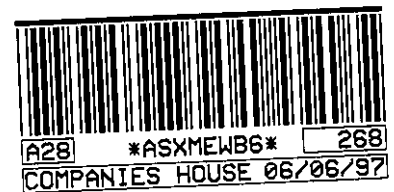
COMPANY REGISTRATION NUMBER: 1498317

DOWN AND SON LIMITED

FINANCIAL ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 1997



DOWN AND SON LIMITED

FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997

INDEX

	<u>Page</u>
Report of the Directors	1. and 2.
Report of the Auditors	3.
Profit and Loss Account	4.
Balance Sheet	5.
Notes to the Accounts	6. to 11.

DOWN AND SON LIMITED

DIRECTORS:

S J Down
C J Down
Mrs L E Down

REGISTERED OFFICE:

6 The Parade
Exmouth
Devon

BANKERS:

Midland Bank PLC
1 Rolle Street
Exmouth
Devon

SOLICITORS:

Linford Browns
Magnolia House
Church Street
Exmouth
Devon
EX8 1HQ

AUDITORS

Southon & Co
Chartered Accountants
6 The Parade
Exmouth
Devon
EX8 1RL

DOWN AND SON LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and audited Accounts for the year ended 31 March 1997.

PRINCIPAL ACTIVITY

The principal activity of the Company was that of Retail Pork Butchers.

DIRECTORS

The Directors who served during the year and the beneficial and family interests of those serving at the end of the year in the shares of the Company were as follows:-

	Ordinary Shares of £1 each	
	<u>31 March 1997</u>	<u>31 March 1996</u>
C J Down Esq	99	99
S J Down Esq	1	1
Mrs L E Down	-	-

TAXATION STATUS

In the opinion of the Directors, the Company is a close Company within the meaning of the Income and Corporation Tax Act 1988.

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;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

DOWN AND SON LIMITED

REPORT OF THE DIRECTORS

Cont/d ..

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.

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution will be proposed at the next Annual general Meeting to re-appoint the Auditors, Southon & Co.

The Directors have taken advantage in the preparation of their report of the exemptions applicable to small Companies.

By Order of the Board,

L. F. Dowe

Secretary

4 June 1997

AUDITORS' REPORT TO THE SHAREHOLDERS

OF

DOWN AND SON LIMITED

We have audited the Financial Statements on pages 4. to 11. which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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 consider 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 March 1997 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small Companies.

Southon & Co
6 The Parade
Exmouth, Devon

4 June 1997



Chartered Accountants
and Registered Auditors

DOWN AND SON LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 1997

	<u>Note</u>	<u>1997</u>	<u>1996</u>
		£	£
<u>TURNOVER</u>		420179	452353
Cost of Sales		<u>268827</u>	<u>303231</u>
<u>GROSS PROFIT</u>		151352	149122
Distribution Costs		97834	105142
Administrative Costs		<u>40716</u>	<u>46346</u>
		138550	151488
Other Operating Income	2.	12802	(2366)
		<u>644</u>	<u>551</u>
<u>OPERATING PROFIT/(LOSS)</u>		13446	(1815)
Interest Payable	3.	<u>613</u>	<u>765</u>
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES</u>			
<u>BEFORE TAXATION</u>	4.	12833	(2580)
<u>TAXATION</u> on Profit/(Loss) on Ordinary			
Activities	6.	<u>1320</u>	<u>-</u>
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES</u>			
<u>AFTER TAXATION</u>		11513	(2580)
Dividends	7.	<u>-</u>	<u>-</u>
<u>RETAINED FOR THE YEAR</u>		£11513	£(2580)
		<u> </u>	<u> </u>

The Company had no recognised gains or losses other than those included above.

All activities were of a continuing nature.

The Notes on Pages 6. to 11. form an integral part of these Accounts.

DOWN AND SON LIMITED

BALANCE SHEET AS AT 31 MARCH 1997

	<u>Note</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	8.	75432	84110
<u>CURRENT ASSETS</u>			
Stock	9.	580	480
Debtors	10.	4708	10523
Cash at Bank and in Hand		<u>50274</u>	<u>21899</u>
		55562	32902
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>			
Other Creditors	11.	<u>41503</u>	<u>39034</u>
<u>NET CURRENT ASSETS/(LIABILITIES)</u>		<u>14059</u>	<u>(6132)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>£89491</u>	<u>£77978</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	13.	100	100
Profit and Loss Account	14.	<u>89391</u>	<u>77878</u>
<u>SHAREHOLDERS FUNDS</u>		<u>£89491</u>	<u>£77978</u>

The Directors have taken advantage in the preparation of the Accounts, of special exemptions applicable to small Companies under Schedule 8 Part 1 of the Companies Act 1985. In the opinion of the Directors, the Company qualifies as a small Company and is entitled to make use of the special exemptions.

.....*C. J. Dow*.....)

) Directors

.....)

The Accounts were approved by the

Board of Directors on:

.....*4 JUNE 97*.....

The Notes on Pages 6. to 11. form an integral part of these Accounts.

DOWN AND SON LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997

1. Accounting Policies

The Accounts have been prepared in accordance with the Companies Act 1985, and with applicable Accounting Standards. Any material departure from Accounting Standards are described below:

a) Investments

Fixed asset investments are stated at cost less provision for any permanent diminution in value.

b) Turnover

Turnover is the amount derived from the provision of goods and services falling within the Company's ordinary activities after deduction of trade discounts.

c) Stock and Work in Progress

Stock and work in progress are valued at the lower of cost and net realisable value. Cost includes direct materials, labour and manufacturing overheads incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less further costs to completion and selling costs.

d) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost.

Depreciation is provided to write down the cost to the estimated residual value by the reducing balance method using the following rates:

Plant and Equipment	10%
Motor Vehicles	25%

e) Leases

Assets held under finance leases have been included under tangible fixed assets and depreciated over the period of their useful economic lives.

The capital element of the future payments is treated as a liability and the interest element is charged to Profit and Loss Account.

Operating lease rentals are charged to Profit and Loss Account as incurred.

f) Pensions

The Company operates a defined contribution scheme. Contributions payable for the period are charged in the Profit and Loss Account.

g) Cash Flow Statement

The Company has taken advantage of the exemptions contained in Financial Reporting Standard No.1 and has not produced a Cash Flow Statement.

DOWN AND SON LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997

	<u>1997</u>	<u>1996</u>
2. <u>Other Operating Income</u>	<u>£</u>	<u>£</u>
Bank Deposit Account	-	2
Building Society Interest	<u>644</u>	<u>549</u>
	£644	£551
	<u> </u>	<u> </u>
3. <u>Interest Payable</u>		
Finance charges of capitalised finance leases	£613	£765
	<u> </u>	<u> </u>
4. <u>Profit/(Loss) on Ordinary Activities before Taxation</u> <u>is after charging</u>		
Directors Emoluments (See Note 5.)	31394	32706
Auditors Remuneration : Audit Work	850	850
: Non Audit Work	400	350
Depreciation of Tangible Fixed Assets		
- owned	8463	9009
- under hire purchase and finance lease agreements	2531	3375
Pension costs	7944	9930
	<u> </u>	<u> </u>
5. <u>Directors Remuneration</u>		
Details of emoluments (excluding pension contributions)		
Salary	17750	17530
Other Emoluments	5700	5246
Pension Scheme Contributions	<u>7944</u>	<u>9930</u>
	£31394	£32706
	<u> </u>	<u> </u>
6. <u>Taxation on Profit on Ordinary Activities</u>		
UK Corporation Tax	1320	-
(Overprovision)/Underprovision for previous periods	<u>-</u>	<u>-</u>
	£1320	£ -
	<u> </u>	<u> </u>
U K Corporation Tax has been charged on profits at 24% (1996 25%)		

DOWN AND SON LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997

7. <u>Dividends</u>	<u>1997</u>		<u>1996</u>	
	<u>£</u> <u>Per Share</u>	<u>Amount</u>	<u>£</u> <u>Per Share</u>	<u>Amount</u>
Proposed	£ - -	£ - -	£ - -	£ - -
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
8. <u>Tangible Fixed Assets</u>		<u>Plant and</u> <u>Equipment</u>	<u>Motor</u> <u>Vehicles</u>	<u>Total</u>
		<u>£</u>	<u>£</u>	<u>£</u>
Cost - 1 April 1996		158078	31720	189798
Additions		316	2000	2316
Disposals		<u>-</u>	<u>-</u>	<u>-</u>
Cost - 31 March 1997		£158394	£33720	£192114
		<u> </u>	<u> </u>	<u> </u>
Depreciation - 1 April 1996		87636	18052	105688
Charge for the Period		7076	3918	10994
Withdrawn on Disposals		<u>-</u>	<u>-</u>	<u>-</u>
Depreciation - 31 March 1997		£94712	£21970	£116682
		<u> </u>	<u> </u>	<u> </u>
<u>Net Book Value</u>				
31 March 1997		£63682	£11750	£75432
		<u> </u>	<u> </u>	<u> </u>
31 March 1996		£70442	£13668	£84110
		<u> </u>	<u> </u>	<u> </u>

Included in the above are the following in respect of assets acquired under hire purchase and finance lease agreements.

	<u>1997</u>		<u>1996</u>	
	<u>Depreciation</u> <u>Charged in</u> <u>Period</u>	<u>Net Book</u> <u>Value</u>	<u>Depreciation</u> <u>Charged in</u> <u>Period</u>	<u>Net Book</u> <u>Value</u>
Motor Vehicle	£2531	£7592	£3375	£10123
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DOWN AND SON LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
9. <u>Stock</u>		
Goods bought for resale	£580	£480
	<u> </u>	<u> </u>
10. <u>Debtors</u>		
Due within one year	<u>£</u>	<u>£</u>
Trade Debtors	900	950
Other Debtors	2000	7695
Prepayments	<u>1808</u>	<u>1878</u>
	£4708	£10523
	<u> </u>	<u> </u>
11. <u>Creditors - amounts falling due within one year</u>		
Trade Creditors	9525	10751
U K Corporation Tax on 1997 profits	1320	-
Advance Corporation Tax	-	-
Social Security and Other Taxes	14290	7842
Proposed Dividend	-	-
Accrued Expenses	2748	2733
Directors Current Account	12363	13311
Other Creditors - net obligations in respect of finance leases	<u>1257</u>	<u>4397</u>
	£41503	£39034
	<u> </u>	<u> </u>

Amounts owing in respect of finance lease obligations are secured on a motor vehicle.

DOWN AND SON LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997

12.	<u>Finance Lease Obligations</u>	<u>1997</u>	<u>1996</u>
	Gross Obligations	£	£
	Expiring within 1 year	1512	3753
	Expiring between 2 and 5 years	-	1512
		<u> </u>	<u> </u>
	Future Finance Charges		
	Leases expiring within 1 year	255	612
	Leases expiring between 2 and 5 years	-	256
		<u> </u>	<u> </u>
	Net Obligations		
	Expiring within 1 year	1257	3141
	Expiring between 2 and 5 years	-	1256
		<u> </u>	<u> </u>
13.	<u>Share Capital</u>		
	<u>Authorised</u>		
	100 Ordinary Shares of £1 each	100	100
		<u> </u>	<u> </u>
	<u>Allotted, called up and fully paid</u>		
	100 Ordinary Shares of £1 each	100	100
		<u> </u>	<u> </u>
14.	<u>Profit and Loss Account</u>	£	£
	At 1 April 1996	77878	80458
	Retained Profit/(Loss) for the Period	<u>11513</u>	<u>(2580)</u>
	At 31 March 1997	£89391	£77878
		<u> </u>	<u> </u>

DOWN AND SON LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1997

	<u>1997</u>	<u>1996</u>
15. <u>Reconciliation of Movements in Shareholders Funds</u>	<u>£</u>	<u>£</u>
Profit/(Loss) for the financial period	11513	(2580)
Dividend	<u>—</u>	<u>—</u>
Net Increase/(Decrease) in Shareholders Funds	11513	(2580)
Shareholders Funds at 1 April 1996	<u>77978</u>	<u>80558</u>
Shareholders Funds at 31 March 1997	£89491	£77978
	<u> </u>	<u> </u>