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Registrar's Copy

Company No: 1901421

R.G. FARMS LIMITED

Abbreviated Annual Report

Year ended 5 April 2002



PKF
PANNELL HOUSE
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PKF

R. G. FARMS LIMITED

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**INDEPENDENT AUDITORS' REPORT TO
R. G. FARMS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts, which comprise the Abbreviated Balance Sheet and the related notes, together with the financial statements of the company for the period ended 5 April 2002 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 considered 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 statements.

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 are properly prepared in accordance with those provisions.



Leicester, UK
17 September 2002

PKF
Registered Auditors

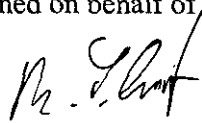
R. G. FARMS LIMITED
ABBREVIATED BALANCE SHEET
5 APRIL 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible	2	3,640,745	3,677,352
Investments	3	1,155	1,155
		<u>3,641,900</u>	<u>3,678,507</u>
CURRENT ASSETS			
Stocks		262,121	251,029
Debtors		88,172	120,837
Cash at bank and in hand		81	81
		<u>350,374</u>	<u>371,947</u>
CREDITORS: amounts falling due within one year	4	(265,939)	(306,539)
NET CURRENT ASSETS		<u>84,435</u>	<u>65,408</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,726,335</u>	<u>3,743,915</u>
CREDITORS: amounts falling due after more than one year	4	(327,473)	(347,110)
PROVISIONS FOR LIABILITIES AND CHARGES		(43,051)	-
NET ASSETS		<u><u>3,355,811</u></u>	<u><u>3,396,805</u></u>
CAPITAL AND RESERVES			
Called up share capital	5	375	375
Share premium account		836,781	836,781
Revaluation reserve		1,357,845	1,357,845
Profit and loss account		1,160,810	1,201,804
		<u>3,355,811</u>	<u>3,396,805</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the board on 17 September 2002.

Signed on behalf of the board of directors


R J Grant

Director

R. G. FARMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 5 APRIL 2002

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

(c) Tangible fixed assets

Tangible fixed assets are stated at cost or valuation 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:

Freehold buildings	2-3 % on original cost
Improvements to leasehold property	5 % on original cost
Tractors, harvesters, machinery and implements	15 / 20 % net book amount
Motor vehicles	25 % net book amount
Golf centre	5 / 20 % on original cost
Potato store	10 % net book amount
Computers	33.3 % on original cost

Freehold land is not depreciated.

(d) Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding.

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(e) Stocks

The annual valuation of stock is carried out by a professional valuer. The basis of valuation is the lower of cost and net realisable value. Net realisable value is based on estimated selling price allowing for all further costs of marketing and distribution.

(f) Deferred taxation

Deferred tax is provided using the full provision method at current rates for taxation deferred for all timing differences. Deferred tax balances are not discounted. The company previously accounted for deferred tax using the liability method to the extent that it was probable that a liability would crystallise.

R. G. FARMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 5 APRIL 2002

1 ACCOUNTING POLICIES (continued)

(g) Pensions

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

(h) Arable Area Payment Scheme

Amounts received and receivable from the Department for Environment, Food and Rural Affairs in respect of the above scheme have been treated as a subsidy on sales and are credited to revenue to the extent that a whole or part of the relevant crop has been included in sales.

2 TANGIBLE FIXED ASSETS

	£
Cost or valuation	
At 6 April 2001	4,654,623
Additions	194,646
Disposals	(365,878)
At 5 April 2002	4,483,391
Depreciation	
At 6 April 2001	977,271
Charge for the year	125,496
On disposals	(260,121)
At 5 April 2002	842,646
Net book amount	
At 5 April 2002	3,640,745
At 5 April 2001	3,677,352

The freehold land and buildings were revalued at 5 April 1998 on an open market value basis by an independent firm of Chartered Surveyors and Valuers. The cost and net book amount under the historical cost convention of assets shown at valuation would be £2,433,982 (2001 £2,290,923) and £2,067,024 (2001 £1,994,709) respectively.

R. G. FARMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 5 APRIL 2002

3 FIXED ASSET INVESTMENTS

	£
Cost	
At 6 April 2001 and 5 April 2002	1,155
Provisions	
At 6 April 2001 and 5 April 2002	-
Net book amount	
At 5 April 2002	1,155
At 5 April 2001	1,155

Other investments comprise an interest in a farming co-operative. The investment is included at cost which, in the opinion of the directors, approximates to its market value.

4 CREDITORS

Creditors amounting to **£414,560** (2001 - £458,279) are secured.

5 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid No	£
At 6 April 2001 and 5 April 2002			
Participating Preference shares of 50p each	338	675	338
'A' Ordinary shares of 1p each	12	1,250	12
'B' Ordinary shares of 1p each	25	2,500	25
	<u>375</u>		<u>375</u>

R. G. FARMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 5 APRIL 2002

6 TRANSACTIONS WITH DIRECTORS

During the year, the company loaned an amount to P J Grant, a director of the company as follows:

	£
Balance at 6 April 2001	540
Receipts	1,431
Payments	(3,892)
Balance at 5 April 2002	(1,921)

The maximum amount outstanding during the year was £3,352.