

1062904/2

Registrar's Copy

Company No: 1901421

R.G. FARMS LIMITED

Abbreviated Annual Report

Year ended 5 April 2004



PKF

R. G. FARMS LIMITED

CONTENTS

	Page
REPORT OF THE AUDITORS	1
ABBREVIATED BALANCE SHEET	2
NOTES TO THE ABBREVIATED ACCOUNTS	3 - 5

**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 year ended 5 April 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, as a body, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state 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 as a body, for our work, for this report, or for the opinions we have formed.

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 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
3 February 2005


PKF
Registered Auditors

R. G. FARMS LIMITED
ABBREVIATED BALANCE SHEET
5 APRIL 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible	2	3,327,733	3,542,857
Investments	3	1,156	1,155
		<u>3,328,889</u>	<u>3,544,012</u>
CURRENT ASSETS			
Stocks		259,409	232,331
Debtors	4	212,756	286,561
Cash at bank and in hand		634	81
		<u>472,799</u>	<u>518,973</u>
CREDITORS: amounts falling due within one year	5	(281,140)	(373,449)
NET CURRENT ASSETS		<u>191,659</u>	<u>145,524</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,520,548</u>	<u>3,689,536</u>
CREDITORS: amounts falling due after more than one year	5	(258,710)	(290,756)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(21,338)</u>	<u>(35,089)</u>
NET ASSETS		<u><u>3,240,500</u></u>	<u><u>3,363,691</u></u>
CAPITAL AND RESERVES			
Called up share capital	6	375	375
Share premium account		836,781	836,781
Revaluation reserve		1,357,845	1,357,845
Profit and loss account		1,045,499	1,168,690
		<u><u>3,240,500</u></u>	<u><u>3,363,691</u></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 January 2005

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 2004

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 June 2002).

(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.

The company adopted the transitional arrangements for the revaluation of certain fixed assets, as permitted under the Financial Reporting Standard for Smaller Entities, which relieves it from the requirement to revalue these assets in future years.

(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.

Deferred tax assets are only recognised where their recoverability in the short term is more likely than not.

R. G. FARMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 5 APRIL 2004

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 2003	4,388,840
Additions	35,843
Disposals	(376,146)
At 5 April 2004	<u>4,048,537</u>
Depreciation	
At 6 April 2003	845,983
Charge for the year	85,946
On disposals	(211,125)
At 5 April 2004	<u>720,804</u>
Net book amount	
At 5 April 2004	<u><u>3,327,733</u></u>
At 5 April 2003	<u><u>3,542,857</u></u>

R. G. FARMS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 5 APRIL 2004

3 FIXED ASSET INVESTMENTS

	£
Cost	
At 6 April 2003	1,155
Additions	1
At 5 April 2004	1,156
Net book amount	
At 5 April 2004	1,156
At 5 April 2003	1,155

Other investments comprise interests in farming co-operatives. The investments are included at cost which, in the opinion of the directors, approximates to market value.

4 DEBTORS

Included in debtors are amounts of **£73,550** (2003 - £NIL) falling due after more than one year from the balance sheet date.

5 CREDITORS

Creditors amounting to **£288,612** (2003 - £442,118) are secured.

6 SHARE CAPITAL

	Authorised	Allotted, called up and fully paid	
	£	No	£
At 6 April 2003 and 5 April 2004			
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