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CORNOCK & SONS LIMITED

1966921

STATUTORY ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2002



R.D. OWEN & CO.
Chartered Accountants
18A Queen Square
BATH BA1 2HR

CORNOCK & SONS LIMITED

Registered Office: 18A Queen Square
BATH BA1 2HR

Registered Number: 1966921

REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their Annual Report to Members, together with the Audited Statement of Accounts for the year ended 31st December 2002.

1. PROFIT AND DIVIDENDS

The profit for the year, after taxation and interest, amounted to £36,834 (2001 - £114,945) and this amount plus the reserve balance brought forward at the beginning of the year, gives a total of £1,561,571 which is the balance now carried forward at the end of the year. The Directors recommend that no dividend be declared for the year ended 31st December 2002.

2. REVIEW OF BUSINESS

The Company's principal activity during the year was that of broiler producers.

3. FIXED ASSETS

The changes in the fixed assets during the year are summarised in the Notes to the Accounts. There were no significant changes during the year.

4. FUTURE DEVELOPMENTS

The Company has no plans for significantly extending its existing business activities in the immediate future.

5. DIRECTORS

(a) The Directors of the Company at the date of this report are set out below and, for Directors at the end of the year, their beneficial or other interest in shares of the Company (including spouses and infant children) as required to be registered under the Companies Act 1985 Section 325 at the end of the year and at the commencement were:

	£1 Ordinary Shares	
	31.12.02	31.12.01
Mrs. V.A. Cornock	219	219
Mr. M.J. Cornock	376	376
	595	595

(b) **Retirement**

The above Directors are not required to retire by rotation under Article 7(c) of the Articles of Association.

(c) **Directors' Interest in Contracts etc.**

There were arrangements with the Partnership of W.J., V.A. and M.J. Cornock subsisting at the beginning and end of the year for the provision of services and facilities.

(d) **Directors' Rights to Acquire Shares**

There were no arrangements during the year to which the Company was a party, to benefit Directors by enabling them to buy shares in the Company or any other company.

6. CLOSE COMPANY

The Company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

7. AUDIT EXEMPTION

The Company has decided not to appoint Auditors.

8. SMALL COMPANIES

The Directors Report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD

V.A. Cornock

MRS. V.A. CORNOCK

Secretary

20th August 2003

CORNOCK & SONS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2002

	Notes	2002 £	2001 £
Sales	2	790,717	1,229,723
Cost of Sales		- 645,412	- 962,585
Gross Profit		145,305	267,138
Administration costs		- 124,726	- 146,823
		20,579	120,315
Interest received		31,333	31,058
OPERATING PROFIT before taxation	3	51,912	151,373
Corporation Tax	4	- 15,078	- 36,428
Profit for the year after taxation		36,834	114,945
RESERVES BROUGHT FORWARD		1,524,737	1,409,792
RESERVES CARRIED FORWARD		£ 1,561,571	£ 1,524,737

All of the Company's operations are classed as continuing.

The Company had no recognised gains or losses other than the profit for the year.

These Accounts have been prepared in accordance with the special provisions conferred by Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for smaller entities.

The notes on pages 5 to 7 form part of these Accounts

CORNOCK & SONS LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
TANGIBLE ASSETS	6		
Freehold land at cost		72,322	72,322
Chicken houses		512,823	543,484
Motor vehicle		5,811	7,264
Plant, machinery, fixtures and fittings		140,809	144,139
		731,765	767,209
CURRENT ASSETS			
Stocks	5	61,997	-
Debtors and loans	7	598	4,551
Balance at bank		966,533	881,760
		1,029,128	886,311
CREDITORS: amounts falling due within one year	8	- 198,577	- 128,038
		830,551	758,273
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 1,562,316	£ 1,525,482
CAPITAL AND RESERVES			
Called up Share Capital	9	745	745
Profit and Loss Account - Balance		1,561,571	1,524,737
EQUITY SHAREHOLDERS FUNDS	10	£ 1,562,316	£ 1,525,482

The Directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the Company's share capital have not issued a notice under Section 249B(2) requiring an audit. The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit for the year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the Accounts so far as applicable to the Company.
These Accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

The Accounts were approved by the Board of Directors on 20th August 2003 and signed on their behalf by:

M.J. Cornock ..... DIRECTOR
(M.J. CORNOCK)

V.A. Cornock ..... DIRECTOR
(MRS.V.A. CORNOCK)

The notes on pages 5 to 7 form part of these Accounts

CORNOCK & SONS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

(a) **Accounting Convention**
The Accounts have been prepared under the historical cost convention on a going concern basis and in accordance with the Financial Reporting Standard for Smaller Entities.

(b) **Depreciation**
No depreciation is provided on the freehold farm land. Motor vehicles are depreciated over their expected useful lives on a reducing balance basis at an annual rate of 20%. Chicken houses are depreciated on a straight line basis over 20 years and Plant, Machinery, Fixtures & Fittings on a straight line basis over 10 years being their expected useful lives.

(c) **Deferred Taxation**
Deferred taxation represents:

The effect of expenses (principally depreciation) being attributed for taxation purposes to periods different from those to which they are charged in the Accounts.

Deferred taxation is not provided where, in the opinion of the Directors, there is a reasonable probability that such deferred taxation will not be payable for at least three years and there is no indication that the situation will change after that period. The effects of changes in the Directors' assessment of the likely crystallisation of deferred taxation liabilities, or changes in the rate of corporation tax are recorded at the time such changes arise.

(d) **Stock**
Stock has been valued by the Directors at the lower of cost or net realisable value on the same basis as in previous years.

(e) **Repairs and Renewals**
Expenditure on repairs, renewals and minor items of equipment is written off in the year in which it is incurred.

(f) **Cash Flow Statement**
The Company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

2. SALES
Sales represent sums involved, net of value added tax, in respect of the Company's broiler growing activities all in the United Kingdom.

3. OPERATING PROFIT

	2002	2001
	£	£
(a) This is stated after charging (crediting):		
Directors' Remuneration (see below)	NIL	NIL
Depreciation and Loss on sales	61,864	60,196
Bank interest received	- 31,333	- 31,058

(b) No remuneration was paid to the Directors in the financial year and neither of the Directors waived their rights to receive remuneration during the year.

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2002 (CONTINUED)

4. TAXATION

(a) Corporation Tax based on the assessable profits for the year at the effective rate of 19.25% (2001 - 20.00%) was:

	2002	2001
For the year	15,112	36,428
Adjustments re previous periods	14	-
	£ 15,126	£ 36,428
Interest Received on Repayments	-£ 48	£ -

(d) **Deferred Taxation**

The potential amount of deferred taxation, excluding any liability which might arise on the disposal of the freehold land at over and above the costs shown in the Balance Sheet for which no provision has been made is:

Timing Differences	2002	2001
Fixed Assets, book value in excess of tax values	£ 36,908	£ 44,072
Potential deferred taxation liability at 19% (2001 - 20%)	£ 7,012	£ 8,814

5. STOCKS

	2002	2001
Chicks and feedstuffs at cost	£ 61,997	£ NONE

6. TANGIBLE FIXED ASSETS

Movement on the cost and accumulated depreciation of the Company's fixed assets by principal category for the year ended 31st December 2002 was as follows:

	Cost etc. 31st December 2001	Additions/ Charge	Disposals	Cost etc. 31st December 2002
COST				
Freehold land	72,322	-	-	72,322
Motor vehicle	14,170	-	-	14,170
Chicken houses	613,236	-	-	613,236
Plant, Machinery, Fixtures & Fittings	271,100	26,420	-	297,520
	970,828	26,420	-	997,248
ACCUMULATED DEPRECIATION				
Freehold land	-			-
Motor vehicle	6,906	1,453	-	8,359
Chicken houses	69,752	30,661	-	100,413
Plant, Machinery, Fixtures & Fittings	126,961	29,750	-	156,711
	203,619	61,864		265,483
Net Book Value	£767,209			£ 731,765

COMMITMENTS FOR CAPITAL EXPENDITURE	2002	2001
Contracted for	£NIL	£NIL
Not contracted for	£NIL	£NIL

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2002 (CONTINUED)

	2002	2001
7. DEBTORS		
Others	94	-
Debtors and prepayments - Corporation Tax	-	1,532
H.M. Customs & Excise (VAT repayment)	504	3,019
	£ 598	£ 4,551
8. CREDITORS: amounts falling due within one year		
Trade creditors	65,781	-
Accruals and other creditors	11,026	5,792
Corporation Tax	15,112	36,428
Partnership - W.J., V.A. and M.J. Cornock	106,658	85,818
	£ 198,577	£ 128,038
9. SHARE CAPITAL		
Authorised		
100,000 Ordinary Shares of £1 each	£ 100,000	£ 100,000
Issued		
745 Ordinary Shares of £1 each fully paid	£ 745	£ 745
10. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS		
Net Profit for the year	36,834	114,945
Shareholders' funds at beginning of year	1,525,482	1,410,537
Shareholders' funds at end of year	£ 1,562,316	£ 1,525,482