

LEN CROSS FERTILIZERS LIMITED

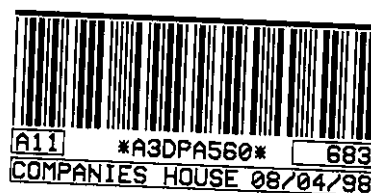
FINANCIAL STATEMENTS

30TH JUNE 1997

Registered number: 3188321

CUNNINGTON & COMPANY

REGISTERED AUDITORS



LEN CROSS FERTILIZERS LIMITED
FINANCIAL STATEMENTS
for the year ended 30th June 1997

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LEN CROSS FERTILIZERS LIMITED

DIRECTORS' REPORT

30th June 1997

The director presents his report and the audited financial statements for the year ended 30th June 1997.

Principal activity

The principal activity of the company was the sale of fertilizers. The business was acquired by the company from Mr. L.B.Cross the companys director.

Business review

The company's balance sheet as detailed on page 5 shows a satisfactory position, shareholders' funds amounting to £139,973.

Results and dividends

The results for the year are shown in the profit and loss account on page 4. The directors do not propose payment of an ordinary dividend.

Directors

The director of the company during the year and his interest in the shares of the company as recorded in the register of directors' interests were as follows

	30th June 1997 Ordinary shares
L.B. CROSS	1,000

17th March 1998

On behalf of the board

S R Cross
Mrs.S.R.Cross
Secretary

LEN CROSS FERTILIZERS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

17th March 1998

On behalf of the board



L.B. CROSS
Chairman

Cunnington & Company

James P. Cunnington
Chartered Accountant
Tony J. Smart
Chartered Accountant
Graham Smith
Chartered Certified Accountant

130 New Walk, LEICESTER
LE1 7JA

Telephone (0116) 233 2111
Facsimile (0116) 233 2112

LEN CROSS FERTILIZERS LIMITED AUDITORS' REPORT

Auditors' report to the members of Len Cross Fertilizers Limited

We have audited the financial statements on pages 4 to 9 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 page 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 considered 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 error or other irregularity. 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 30th June 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

17th March 1998

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Cunnington & Company
Registered Auditors
130 New Walk,
Leicester,
LE1 7JA

LEN CROSS FERTILIZERS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30th June 1997

	Note	1997 £
Turnover		1,282,635
Cost of sales		(1,151,540)
Gross profit		<u>131,095</u>
Net operating expenses		
Administrative expenses		(83,340)
Other operating income		<u>134,921</u>
Operating profit	2	182,676
Interest payable	3	<u>(745)</u>
Profit on ordinary activities before taxation		181,931
Taxation	4	<u>(42,958)</u>
Profit on ordinary activities after taxation		138,973
retained for the year	10	<u><u>138,973</u></u>

Movements in reserves are shown in note 10.

There are no recognised gains and losses in 1997 other than the profit for the year.

LEN CROSS FERTILIZERS LIMITED

BALANCE SHEET

at 30th June 1997

	Note	1997 £	£
Fixed assets			
Tangible assets	5		30,795
Current assets			
Debtors	6	117,205	
Cash at bank and in hand		118,824	
		<u>236,029</u>	
Creditors: amounts falling due within one year	7	(123,275)	
		<u></u>	
Net current assets			112,754
			<u></u>
Total assets less current liabilities			143,549
			<u></u>
Creditors: amounts falling due after more than one year	8		(3,576)
			<u></u>
			<u>139,973</u>
			<u><u></u></u>
Capital and reserves			
Called up share capital	9		1,000
Profit and loss account	10		138,973
			<u></u>
Total shareholders' funds	11		139,973
			<u><u></u></u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 9 were approved by the board of directors on 17th March 1998 and signed on its behalf by:



L.B. CROSS
Chairman

LEN CROSS FERTILIZERS LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 1997

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Motor vehicles	written off over 5 years straight line
Fixtures and fittings	Written off over 5 years straight line

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

2 Operating profit

	1997 £
Operating profit is stated after crediting	
Interest receivable	6,411
and after charging	
Auditors' remuneration	2,200
Loss on sale of assets	3,113
Depreciation of tangible fixed assets (note 5)	
owned assets	6,001

LEN CROSS FERTILIZERS LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 1997

3 Interest payable

1997

£

Hire purchase contracts

745

4 Taxation

1997

£

Corporation tax on profit on ordinary activities
at 24/21%

42,958

5 Tangible fixed assets

Cost	Motor Vehicles £	Fixtures and Fittings £	Total £
1st July 1996	13,400	4,151	17,551
Additions	30,000	3,375	33,375
Disposals	(13,400)	-	(13,400)
30th June 1997	30,000	7,526	37,526
Depreciation			
1st July 1996	1,787	730	2,517
Charge for year	4,500	1,501	6,001
Disposals	(1,787)	-	(1,787)
30th June 1997	4,500	2,231	6,731
Net book amount			
30th June 1997	25,500	5,295	30,795

LEN CROSS FERTILIZERS LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 1997

6 Debtors

1997

£

Amounts falling due within one year

Trade debtors	108,950
Other debtors	7,848
Prepayments	407
	117,205

7 Creditors: amounts falling due within one year

1997

£

Trade creditors	12,290
Obligations under hire purchase contracts	10,726
Corporation tax	42,958
Directors loan Account	54,360
Accruals	2,941
	123,275

8 Creditors: amounts falling due after more than one year

1997

£

Hire purchase contract	3,576
	3,576

LEN CROSS FERTILIZERS LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 1997

9 Called up share capital

	1997	
	Number of shares	£
Authorised	1,000	1,000
Allotted called up and fully paid	1,000	1,000

10 Profit and loss account

	1997 £
Retained profit for the year	138,973

11 Reconciliation of movements in shareholders' funds

	1997 £
Profit for the financial year	138,973
New share capital subscribed	1,000
Net addition to shareholders' funds	139,973
Opening shareholders' funds	-
Closing shareholders' funds	139,973