

CHIPSMITHS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2000



CHIPSMITHS LIMITED

Company Information

Directors

P.W. Ryan
S.W. Ganderton
Mrs C.M. Ganderton (appointed 9.11.99)
Mrs J.A. Ryan (appointed 9.11.99)

Secretary

S.W. Ganderton

Company Number

3512821

Registered Office

58A High Street
Shepperton.
Middlesex
TW17 9AU

Accountants

Billinge Blend & Co.
Chartered Accountants
58A High Street
Shepperton
Middlesex
TW17 9AU

CHIPSMITHS LIMITED

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CHIPSMITHS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30TH JUNE 2000

The directors present their report and the financial statements for the year ended 30th June 2000.

Principal Activity

The company's principal activity continues to be that of fish and chip retailing.

Directors

The directors at 30th June 2000 and their interests in the share capital of the company were as follows:

	At 30 th June 2000 Ordinary Shares	At 1 st July 1999 Or subsequent date of appointment Ordinary Shares
P W Ryan	1	1
S W Ganderton	1	1
Mrs C M Ganderton	-	-
Mrs J A Ryan	-	-

Small Company Rules

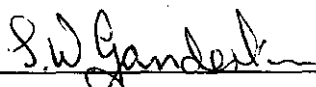
This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on
and signed by order of the board.

2 April

2001

~~2000~~



S.W. GANDERTON
COMPANY SECRETARY

CHIPSMITHS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS
OF CHIPSMITHS LIMITED

As described on the balance sheet, you are responsible for the preparation of the accounts for the year ended 30th June 2000 set out on pages 3 to 8, and you consider that the company is exempt from audit under the provisions of S.249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Billinge Blend & Co.
Chartered Accountants
58A High Street
Shepperton
Middlesex
TW17 9AU

Billinge Blend and Company

... 2 April 2001 ... 2000

CHIPSMITHS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30th JUNE 2000

	<u>Notes</u>	<u>2000</u> £	<u>1999</u> £
TURNOVER		182809	173916
Cost of Sales		(108639)	(98565)
GROSS PROFIT		74170	75351
Selling and distribution costs		(1750)	(987)
Administrative expenses		(74453)	(70796)
OPERATING PROFIT/(LOSS)	2	(2033)	3568
Profit (loss) on disposal of tangible fixed assets		-	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST		(2033)	3568
Interest receivable		478	503
Interest payable		(3080)	(6000)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(4635)	(1929)
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	3	206	(891)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		(4429)	(2820)
Dividends		-	-
RETAINED PROFIT/(LOSS) FOR THE YEAR		(4429)	(2820)
RETAINED BALANCE BROUGHT FORWARD		(2820)	-
RETAINED BALANCE CARRIED FORWARD		(7249)	(2820)

The notes on pages 5 to 8 form part of these financial statements.

CHIPSMITHS LIMITED

BALANCE SHEET AS AT 30th JUNE 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Intangible assets	4	39969	42930
Tangible assets	5	19935	24168
		<u>59904</u>	<u>67098</u>
CURRENT ASSETS			
Stocks		2089	2627
Debtors	6	2320	4641
Cash at bank and in hand		<u>16457</u>	<u>27198</u>
		20866	34466
CREDITORS: Amounts falling due within one year	7	<u>(87331)</u>	<u>(81490)</u>
NET CURRENT ASSETS (LIABILITIES)		<u>(66465)</u>	<u>(47024)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(6561)	20074
CREDITORS: Amounts falling due after more than one year	8	-	(22000)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	9	<u>(685)</u>	<u>(891)</u>
NET ASSETS		<u>(7246)</u>	<u>(2817)</u>
CAPITAL AND RESERVES			
Called up share capital	10	3	3
Profit and loss account		<u>(7249)</u>	<u>(2820)</u>
SHAREHOLDERS' FUNDS		<u>(7246)</u>	<u>(2817)</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of s.249A(1) of the Companies Act 1985. No notice requiring an audit for the year ended 30th June 2000 has been deposited under s.249(b)(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with s.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 30th June 2000 and of its profit for the year then ended in accordance with the requirements of S.226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 2 April 2001 and signed on its behalf.

S.W. Ganderton S.W. GANDERTON)
) DIRECTORS
P.W. Ryan P.W. RYAN)

The notes on pages 5 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2000

1. ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax.

1.3. Tangible fixed assets and depreciation/amortisation

Tangible fixed assets are stated at cost less depreciation/amortisation.

Depreciation/amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	6.3% straight line basis
Improvements to premises	6.3% straight line basis
Fixtures, fittings & equipment	25% reducing balance basis

1.4. Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the separable net assets. It is amortised to profit and loss account over its estimated economic life of sixteen years (6.3% straight line basis).

1.5. Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.6. Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

1.7. Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

CHIPSMITHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2000

2.	<u>OPERATING PROFIT</u>	2000	1999
	The operating profit is stated after charging:	£	£
	Depreciation/amortisation of tangible fixed assets		
	- owned by the company	4798	9376
	- held under finance leases	-	-
	Directors' emoluments	-	6391
		<u> </u>	<u> </u>
3.	<u>TAXATION</u>	2000	1999
		£	£
	UK Corporation tax	-	-
	Transfer to (from) deferred taxation	(206)	891
		<u> </u>	<u> </u>
		(206)	891
		<u> </u>	<u> </u>
4.	<u>INTANGIBLE FIXED ASSETS</u>	Goodwill	Total
		£	£
	<u>Cost</u>		
	At 1 st July 1999	47000	47000
	Additions	-	-
	Disposals	-	-
		<u> </u>	<u> </u>
	At 30 th June 2000	47000	47000
		<u> </u>	<u> </u>
	<u>Amortisation</u>		
	At 1 st July 1999	4070	4070
	Charge for the year	2961	2961
	Eliminated on disposal	-	-
		<u> </u>	<u> </u>
	At 30 th June 2000	7031	7031
		<u> </u>	<u> </u>
	<u>Net book values</u>		
	At 30 th June 2000	39969	39969
		<u> </u>	<u> </u>
	At 30 th June 1999	42930	42930
		<u> </u>	<u> </u>

CHIPSMITHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 20005. TANGIBLE FIXED ASSETS

	Land and Buildings £	Other Assets £	Total £
<u>Cost</u>			
As at 1 st July 1999	8374	25170	33544
Additions	-	565	565
Disposals	-	-	-
At 30 th June 1999	8374	25735	34109
<u>Depreciation</u>			
At 1 st July 1999	724	8652	9376
Charge for the year	527	4271	4798
Eliminated on disposals	-	-	-
At 30 th June 2000	1251	12923	14174
<u>Net book values</u>			
At 30 th June 2000	7123	12812	19935
At 30 th June 1999	7650	16518	24168

6. DEBTORS

	2000 £	1999 £
<u>Due after more than one year</u>		
Other debtors	-	-
<u>Due within one year</u>		
Trade debtors	-	-
Other debtors	2320	4641
	<u>2320</u>	<u>4641</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000 £	1999 £
Trade creditors	2440	4488
Corporation tax	-	-
Net obligations under finance leases and hire purchase contracts	-	-
Other creditors	84891	77002
	<u>87331</u>	<u>81490</u>

Included within other creditors is an amount of £24860 (1999 £13447) relating to social security and other taxes

CHIPSMITHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2000

8.	<u>CREDITORS: AMOUNTS FALLING DUE AFTER</u>	2000	1999
	<u>MORE THAN ONE YEAR</u>	£	£
	Director's Loan Account	-	11000
	Other Loan Account	-	<u>11000</u>
		<u>-</u>	<u>22000</u>

9.	<u>DEFERRED TAXATION</u>	2000	1999
		£	£
	Balance at 1 st July 1999	891	-
	Charge (credit) for the year	<u>(206)</u>	<u>891</u>
	Balance at 30 th June 2000	<u>685</u>	<u>891</u>

The provision for deferred taxation is made up of accelerated capital allowances.

10.	<u>SHARE CAPITAL</u>	2000	1999
		£	£
	<u>Authorised</u>		
	Ordinary shares of £1 each	<u>1000</u>	<u>1000</u>
	<u>Allotted, called up and fully paid</u>		
	Ordinary shares of £1 each	<u>3</u>	<u>3</u>

11.	<u>OTHER COMMITMENTS</u>		
	At 30 th June 1999 the company had annual commitments under non-cancellable operating leases as follows:	2000	1999
	Expiry date:	£	£
	Within one year	-	-
	Between two and five years	-	-
	In more than five years	14875	13000

12.	<u>TRANSACTIONS WITH DIRECTORS/RELATED PARTIES</u>		
	Mr S.W. Ganderton has made a loan to the company. At 1 st July 1999 the balance outstanding was £29000, which had reduced to £11000 by 30 th June 2000. He received gross interest of £1540 for the year (1999 £3000). At 30 th June 2000 the balance of interest payable was £NIL. (1999 £NIL)		

Mrs J. Ryan has made a loan to the company. At 1st July 1999 the balance outstanding was £29000, which had reduced to £11000 by 30th June 2000. She received gross interest of £1540 for the year (1999 £3000). At 30th June 2000 the balance of interest payable was £NIL. (1999 £NIL).

The controlling parties are P.W. Ryan, S.W. Ganderton and D. Keogh by virtue of their ownership of one each of the three issued shares in the company.