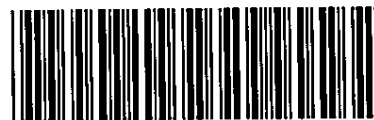


Company Registration No. 118 (England and Wales)

ASHFORD CATTLE MARKET COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007

Finn-Kelcey & Chapman
Chartered Accountants
Stourside Place
Station Road
Ashford Kent

FRIDAY



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COMPANIES HOUSE

ASHFORD CATTLE MARKET COMPANY LIMITED

COMPANY INFORMATION

Directors

T G P Young (Chairman)
T J Richards (Vice Chairman)
E D Chantler
T A Denne
W E Jeanes
I Kemsley
R J Lightfoot
J S Lowings
R J C Thompson (Appointed 17 April 2007)
J B Rimmer (Appointed 9 October 2007)

Secretary

C A McDonald

Company number

118

Registered office

11 Bank Street
Ashford Kent

Auditors

Finn-Kelcey & Chapman
Stourside Place
Station Road
Ashford Kent

Managers

Hobbs Parker 1850 LLP

ASHFORD CATTLE MARKET COMPANY LIMITED

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ASHFORD CATTLE MARKET COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2007

The directors present their report and financial statements for the year ended 31 July 2007

Principal activities

The principal activities of the company throughout the year were the maintenance and improvement of facilities for the sale of livestock and general retail marketing and subsidiary business

Dividends and reserves

The directors will recommend to the Annual General Meeting the following final dividend in respect of the year ended 31 July 2007 No provision for this dividend has been included in these accounts

Ordinary dividend (600% or 30p each)

Directors

The following directors have held office since 1 August 2006

T G P Young (Chairman)	
T J Richards (Vice Chairman)	
E D Chantler	(Retired 9 October 2007)
T A Denne	
W E Jeanes	
I Kemsley	
R J Lightfoot	
J S Lowings	
D A J Thompson	(Retired 18 April 2007)
R J C Thompson	(Appointed 17 April 2007)
J B Rimmer	(Appointed 9 October 2007)

In accordance with the company's Articles of Association, T G P Young (Chairman) , R J C Thompson and J B Rimmer retire by rotation and, being eligible, offer themselves for re-election

Directors' interests

The directors' interests in the shares of the company (including the interests of their families) were as stated below

	Ordinary shares of 5p each	
	31 July 2007	1 August 2006
T G P Young (Chairman)	1,800	1,800
T J Richards (Vice Chairman)	4,120	4,120
E D Chantler	6,720	6,920
T A Denne	240	240
W E Jeanes	400	400
I Kemsley	2,400	2,400
R J Lightfoot	260	260
J S Lowings	6,000	6,000
R J C Thompson	200	-

Share dealings during the year

During the year an equivalent amount of 900 5p shares were sold at an average price of £9 22

ASHFORD CATTLE MARKET COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2007

Charitable donations

During the year the company made charitable donations of £1,272

Managers

Your board wishes to express its gratitude to Roger Lightfoot and his team at Hobbs Parker 1850 LLP for the work they have put into the efficient running of the market

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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, the directors are required to

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

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Finn-Kelcey & Chapman be reappointed as auditors of the company will be put to the Annual General Meeting

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

On behalf of the board



T G P Young (Chairman)
9 October 2007

ASHFORD CATTLE MARKET COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ASHFORD CATTLE MARKET COMPANY LIMITED

We have audited the financial statements of Ashford Cattle Market Company Limited for the year ended 31 July 2007 set out on pages 5 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 16 to the financial statements.

ASHFORD CATTLE MARKET COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF ASHFORD CATTLE MARKET COMPANY LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements



Finn-Kelcey & Chapman

12 November 2007

Chartered Accountants

Registered Auditors

Stourside Place
Station Road
Ashford Kent

ASHFORD CATTLE MARKET COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2007

	Notes	2007 £	2006 £
Turnover	2	774,829	694,562
Administrative expenses		(624,621)	(592,143)
Operating profit	3	150,208	102,419
Other interest receivable and similar income	4	9,000	14,187
Profit on ordinary activities before taxation		159,208	116,606
Tax on profit on ordinary activities	5	(16,325)	(26,794)
Profit for the year	13	142,883	89,812

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

ASHFORD CATTLE MARKET COMPANY LIMITED

BALANCE SHEET

AS AT 31 JULY 2007

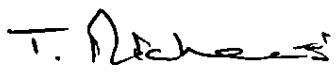
	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	7	7,840,882		7,618,251	
Current assets					
Debtors	8	161,951		152,957	
Investments	9	311		306	
Cash at bank and in hand		306,406		458,482	
		<u>468,668</u>		<u>611,745</u>	
Creditors, amounts falling due within one year	10	<u>(232,216)</u>		<u>(320,720)</u>	
Net current assets		<u>236,452</u>		<u>291,025</u>	
Total assets less current liabilities		<u>8,077,334</u>		<u>7,909,276</u>	
Provisions for liabilities	11	<u>(2,677,776)</u>		<u>(2,688,010)</u>	
		<u>5,399,558</u>		<u>5,221,266</u>	
Capital and reserves					
Called up share capital	12	18,088		18,088	
Share premium account	13	107		107	
Other reserves	13	4,571,748		4,463,987	
Profit and loss account	13	809,615		739,084	
Shareholders' funds	14	<u>5,399,558</u>		<u>5,221,266</u>	

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

Approved by the Board and authorised for issue on 9 October 2007



T G P Young (Chairman)
Director



T J Richards (Vice Chairman)
Director

ASHFORD CATTLE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.2 Compliance with and departure from accounting standards

The financial statements are prepared in accordance with applicable accounting standards, except as noted below

The company has included a provision for deferred tax on gains which are subject to rollover relief. This is not in accordance with Financial Reporting Standard No 19 - Deferred Tax (FRS 19). FRS 19 states that the provision for the recognition of deferred tax on timing differences arising when the gain on the sale of an asset is rolled over into replacement assets is not required when there is no intention or obligation to sell the asset. The effect on the financial statements would be to increase the 'Capital Reserve' by £2,687,412 and to decrease 'Provisions for Liabilities and Charges' by a similar amount.

In the opinion of the directors, departure from this standard is necessary for the financial statements to give a true and fair view. The directors believe the sale of the old market was as a result of a unique situation and the resulting deferred tax on the rolled over gain is a material and integral part of the sale and should be provided to give a more true and fair view of the transaction.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings	2% - 10% straight line basis
Market equipment	15% straight line basis

No depreciation is provided in respect of freehold land or buildings, other than fixed plant included in the cost of the buildings, because in the opinion of the directors, the cost of freehold land and buildings, as shown in the accounts, is not less than their expected residual value at the end of the assets' useful lives. This is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors this policy is necessary for the financial statements to give a true and fair view.

1.5 Investments

Current asset investments are stated at the lower of cost and net realisable value

1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

ASHFORD CATTLE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2007

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

	Turnover	
	2007	2006
	£	£
Class of business		
Livestock, stall market and boot fair income	355,844	340,846
Rents and other income	418,985	353,716
	<u>774,829</u>	<u>694,562</u>

3 Operating profit

Operating profit is stated after charging

Depreciation of tangible assets

Auditors' remuneration

Directors' emoluments

and after crediting

Profit on disposal of tangible assets

	2007	2006
	£	£
	35,669	34,636
	8,050	7,875
	27,000	34,800
	(582)	(183)

4 Investment income

Bank interest

Other interest

	2007	2006
	£	£
	8,995	14,182
	5	5
	<u>9,000</u>	<u>14,187</u>

ASHFORD CATTLE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2007

5	Taxation	2007 £	2006 £
	Domestic current year tax		
	U K corporation tax	26,559	27,380
	Current tax charge	26,559	27,380
	Deferred tax		
	Deferred tax movement for current year	(10,234)	(586)
		16,325	26,794
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	159,208	116,606
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20 00% (2006 - 19 00%)	31,842	22,155
	Effects of		
	Depreciation add back	7,134	6,546
	Capital allowances	(11,502)	(1,321)
	Other tax adjustments	(915)	-
		(5,283)	5,225
	Current tax charge	26,559	27,380
6	Dividends	2007 £	2006 £
	Ordinary paid	72,352	63,396

The dividend paid during the year to 31 July 2007 represents the dividend declared on the 2006 accounts at the AGM in December 2006

ASHFORD CATTLE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2007

7 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 August 2006	11,722,662	80,638	11,803,300
Additions	142,239	8,300	150,539
Revaluation	107,761	-	107,761
Disposals	-	(5,750)	(5,750)
At 31 July 2007	11,972,662	83,188	12,055,850
Depreciation			
At 1 August 2006	4,125,921	59,128	4,185,049
On disposals	-	(5,750)	(5,750)
Charge for the year	24,409	11,260	35,669
At 31 July 2007	4,150,330	64,638	4,214,968
Net book value			
At 31 July 2007	7,822,332	18,550	7,840,882
At 31 July 2006	7,596,741	21,510	7,618,251

Following the completion of the present market, impairment reviews have been made of the freehold buildings undertaken by Messrs Hobbs Parker, Chartered Surveyors and Valuers, and recently by the Directors of the Company, to reflect the current market value. The most recent review was carried out in September 2007 and as a result of the play area conversion the initial impairment loss has reduced by £250,000. Any change to the initial impairment loss, which has been written off to the capital reserve, is adjusted through that reserve.

8 Debtors

	2007 £	2006 £
Trade debtors	122,937	112,962
Other debtors	39,014	39,995
	<u>161,951</u>	<u>152,957</u>

ASHFORD CATTLE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2007

9	Current asset investments	2007 £	2006 £
	Investment in Kent Wool Growers Limited	311	306

10	Creditors: amounts falling due within one year	2007 £	2006 £
	Trade creditors	28,934	122,995
	Taxation and social security	49,741	33,236
	Other creditors	153,541	164,489
		232,216	320,720

11	Provisions for liabilities and charges	Deferred tax liability £
	Balance at 1 August 2006	2,688,010
	Profit and loss account	(10,234)
	Balance at 31 July 2007	2,677,776

The deferred tax liability is made up as follows.

	2007 £	2006 £
Decelerated capital allowances	(9,636)	598
Other timing differences	2,687,412	2,687,412
	2,677,776	2,688,010

Deferred tax analysed as other timing differences, represents the tax arising from the sale of the old market, rolled over into the cost of the new market

ASHFORD CATTLE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2007

12 Share capital	2007 £	2006 £
Authorised		
500,000 Ordinary shares of 5p each	25,000	25,000
Allotted, called up and fully paid		
361,760 Ordinary shares of 5p each	18,088	18,088

13 Statement of movements on reserves

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 August 2006	107	4,463,987	739,084
Profit for the year	-	-	142,883
Dividends paid	-	-	(72,352)
Movement during the year	-	107,761	-
Balance at 31 July 2007	107	4,571,748	809,615

Other reserves

Capital reserve

Balance at 1 August 2006	4,463,987
Capital reserve movement	107,761
Balance at 31 July 2007	4,571,748

The capital reserve represents the transfer from the profit and loss account of the net profit on the sale of an old market site, the proceeds of which were almost entirely expended on the acquisition and construction of the present market

Following the completion of the present market, impairment reviews have been carried out. Aggregate losses arising are transferred from fixed assets through depreciation to the capital reserve

ASHFORD CATTLE MARKET COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2007

14 Reconciliation of movements in shareholders' funds	2007 £	2006 £
Profit for the financial year	142,883	89,812
Dividends	(72,352)	(63,396)
	70,531	26,416
Movements on other reserves	107,761	(90,600)
	178,292	(64,184)
Net addition to/(depletion in) shareholders' funds	5,221,266	5,285,450
Opening shareholders' funds		
Closing shareholders' funds	5,399,558	5,221,266

15 Capital commitments	2007 £	2006 £
At 31 July 2007 the company had capital commitments as follows		
Contracted for but not provided in the financial statements	-	128,958

16 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements. In addition we also use our auditors to prepare the directors' payroll.

17 Related party transactions

The company is managed on a day to day basis by the Hobbs Parker collective of businesses (HP) consisting of a limited liability company and several LLP's. During the year, the company derived income from HP comprising rent, tolls and levies with a value of £330,569. The toll element was collected from the vendors by HP on behalf of the company.

The company also made the following payments to HP

	2007 £
Reimbursement of employing market labour	164,094
Management fees	80,000
Other expenses	14,878

The balance owed to HP at 31 July 2007, in respect of invoices raised (included above), was £25,000.

The balance owed to the company by HP at the year end was £68,766.