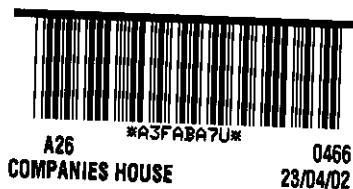

PERCY INGLE BAKERIES LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
30 JUNE 2001**



PERCY INGLE BAKERIES LIMITED

COMPANY INFORMATION

DIRECTORS

P Ingle Esq
Mrs L F Ingle
D P Ingle Esq
J Darby Esq
P D Ingle Esq (appointed 29 January 2001)

SECRETARY

M Ingle (appointed 12 December 2001)
Mrs L F Ingle (resigned 12 December 2001)

COMPANY NUMBER

584236

REGISTERED OFFICE

210 Church Road
London E10 7JQ

AUDITORS

Barnes Roffe
Chartered Accountants
Registered Auditors
840 - 844 High Road
London E10 6AE

PERCY INGLE BAKERIES LIMITED

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PERCY INGLE BAKERIES LIMITED

DIRECTORS' REPORT For the year ended 30 June 2001

The directors present their report and the financial statements for the year ended 30 June 2001.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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, 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The company's principal activity during the year was that of producing and retailing bakery and confectionery goods.

The directors are pleased with the results of the company and hope to further improve the results in the forthcoming year.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £7,680 (2000 - Loss £211,834) .

The directors do not recommend payment of a dividend for the current year (2000 - £Nil).

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each	
	<u>30/6/01</u>	<u>1/7/00</u>
P Ingle Esq	-	-
Mrs L F Ingle	-	-
D P Ingle Esq	-	-
J Darby Esq	-	-
P D Ingle Esq (appointed 29 January 2001)	-	-

Messrs P Ingle and D P Ingle are directors of, and have shareholdings of 25% and 75%, respectively, in the issued share capital of the parent company, Percy Ingle Holdings Limited, which holds 100% of the issued share capital of Percy Ingle Bakeries Limited.

EMPLOYEES

The company's policy is to provide equal opportunities for employees. It has always been the policy of the company to encourage, wherever practical, the employment, training and advancement of disabled persons.

PERCY INGLE BAKERIES LIMITED

DIRECTORS' REPORT
For the year ended 30 June 2001

AUDITORS

The auditors, Barnes Roffe, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 26 March 2002 and signed on its behalf.

M Ingle
Secretary

m. Ingle.

PERCY INGLE BAKERIES LIMITED

INDEPENDENT AUDITORS' REPORT TO PERCY INGLE BAKERIES LIMITED
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of Percy Ingle Bakeries Limited for the year ended 30 June 2001 set out on pages 4 to 13, together with the financial statements of the company for the year ended 30 June 2001 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A 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 section 246A(3) of the Act to the registrar and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF AUDIT 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 A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 13 are properly prepared in accordance with those provisions.

Barnes Roffe

Chartered Accountants
Registered Auditors
840 - 844 High Road
London E10 6AE



Date: 22 April 2002

PERCY INGLE BAKERIES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2001

	Note	2001 £	2000 £
GROSS PROFIT		4,908,954	4,493,059
Selling and distribution costs		(2,368,581)	(2,149,173)
Administrative expenses		(2,563,011)	(2,567,243)
OPERATING LOSS	2	(22,638)	(223,357)
Interest receivable and similar income	5	1,177	5,360
Interest payable and similar charges	6	(2,495)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(23,956)	(217,997)
TAXATION ON LOSS ON ORDINARY ACTIVITIES	7	16,276	6,163
LOSS FOR THE FINANCIAL YEAR		(7,680)	(211,834)
RETAINED PROFIT BROUGHT FORWARD		483,561	695,395
RETAINED PROFIT CARRIED FORWARD		£ 475,881	£ 483,561

All amounts relate to continuing operations.

There were no recognised gains and losses for 2001 or 2000 other than those included in the profit and loss account.

The notes on pages 7 to 13 form part of these financial statements.

PERCY INGLE BAKERIES LIMITED

ABBREVIATED BALANCE SHEET
As at 30 June 2001

	Note	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible assets	9		998,555		901,756
CURRENT ASSETS					
Stocks	8	75,000		75,000	
Debtors	10	223,236		181,347	
Cash at bank and in hand		3,647		159,133	
			<u>301,883</u>	<u>415,480</u>	
CREDITORS: amounts falling due within one year	11	(721,024)		(710,533)	
NET CURRENT LIABILITIES			<u>(419,141)</u>	<u>(295,053)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			579,414		606,703
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	12		(82,733)		(102,342)
NET ASSETS			<u>£ 496,681</u>	<u>£ 504,361</u>	
CAPITAL AND RESERVES					
Called up share capital	13		5,632		5,632
Share premium account			15,168		15,168
Profit and loss account			475,881		483,561
SHAREHOLDERS' FUNDS - All equity	14		<u>£ 496,681</u>	<u>£ 504,361</u>	

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved by the board on 26 March 2002 and signed on its behalf.

D P Ingle Esq
Director



The notes on pages 7 to 13 form part of these financial statements.

PERCY INGLE BAKERIES LIMITED

ABBREVIATED CASH FLOW STATEMENT
For the year ended 30 June 2001

	Note	2001 £	2000 £
Net cash flow from operating activities	15	123,374	298,277
Returns on investments and servicing of finance	16	(1,318)	5,360
Capital expenditure and financial investment	16	(333,843)	(177,274)
(DECREASE)/INCREASE IN CASH IN THE PERIOD		<u>£ (211,787)</u>	<u>£ 126,363</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 17)
For the year ended 30 June 2001

	2001 £	2000 £
(Decrease)/Increase in cash in the period	(211,787)	126,363
MOVEMENT IN NET DEBT IN THE PERIOD	<u>(211,787)</u>	<u>126,363</u>
Net funds at 1 July 2000	159,133	32,770
NET (DEBT)/FUNDS AT 30 JUNE 2001	<u>£ (52,654)</u>	<u>£ 159,133</u>

The notes on pages 7 to 13 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2001

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of value added tax and trade discounts.

1.3 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold buildings	-	over the lease term
Plant and equipment	-	20% reducing balance per annum
Motor vehicles	-	25% reducing balance per annum
Fixtures and fittings	-	20% reducing balance per annum

1.4 Operating leases

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

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.6 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.

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

1.8 Lease of assets

The company receives rental income on assets held for use in operating leases. It recognises rents on a straight line basis and accounts for costs over the life of the lease.

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2001

2. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2001 £	2000 £
Depreciation of tangible fixed assets:		
- owned by the company	253,497	229,592
Auditors' remuneration	9,000	6,000
Operating lease rentals:		
- plant and machinery	3,234	3,550
- other operating leases	366,546	361,239
(Profit)/Loss on disposal of fixed assets	(16,453)	827
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2001 £	2000 £
Wages and salaries	3,397,810	3,021,258
Social security costs	233,216	225,119
Other pension costs	37,427	28,227
	<u> </u>	<u> </u>
	£ 3,668,453	£ 3,274,604
	<u> </u>	<u> </u>

The average monthly number of employees, including directors, during the year was as follows:

	2001 No.	2000 No.
Office and management	13	12
Production	81	101
Distribution	274	248
	<u> </u>	<u> </u>
	368	361
	<u> </u>	<u> </u>

4. DIRECTORS' REMUNERATION

	2001 £	2000 £
Emoluments	£ 62,547	£ 43,677
	<u> </u>	<u> </u>
Company pension contributions to money purchase pension schemes	£ 11,926	£ 3,153
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 2 directors (2000 - 1) in respect of money purchase pension schemes.

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2001

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2001 £	2000 £
Other interest receivable	£ 1,177	£ 5,360

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
On bank loans and overdrafts	£ 2,495	£ -

7. TAXATION

	2001 £	2000 £
UK corporation tax		
Current tax on income for the period	3,333	-
Transfer from deferred taxation in respect of current period	(19,609)	(6,163)
	£ (16,276)	£ (6,163)

8. STOCKS

	2001 £	2000 £
Raw materials	£ 75,000	£ 75,000

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2001

9. TANGIBLE FIXED ASSETS

	Short term leasehold buildings	Plant and machinery	Motor vehicles	Furniture, fittings and equipment	Total
	£	£	£	£	£
Cost					
At 1 July 2000	277,347	1,188,707	324,977	3,095,672	4,886,703
Additions	-	16,993	24,859	309,991	351,843
Disposals	-	-	(27,515)	-	(27,515)
At 30 June 2001	<u>277,347</u>	<u>1,205,700</u>	<u>322,321</u>	<u>3,405,663</u>	<u>5,211,031</u>
Depreciation					
At 1 July 2000	223,364	1,100,232	236,208	2,425,143	3,984,947
Charge for the year	10,432	21,050	24,395	197,620	253,497
On disposals	-	-	(25,968)	-	(25,968)
At 30 June 2001	<u>233,796</u>	<u>1,121,282</u>	<u>234,635</u>	<u>2,622,763</u>	<u>4,212,476</u>
Net book value					
At 30 June 2001	<u>£ 43,551</u>	<u>£ 84,418</u>	<u>£ 87,686</u>	<u>£ 782,900</u>	<u>£ 998,555</u>
At 30 June 2000	<u>£ 53,983</u>	<u>£ 88,475</u>	<u>£ 88,769</u>	<u>£ 670,529</u>	<u>£ 901,756</u>

10. DEBTORS

	2001 £	2000 £
Due within one year		
Trade debtors	14,700	19,119
Amounts owed by group undertakings	19,482	19,896
Other debtors	83,304	33,934
Prepayments and accrued income	105,750	108,398
	<u>£ 223,236</u>	<u>£ 181,347</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2001

11. CREDITORS:
Amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	56,301	-
Trade creditors	352,046	252,620
Amounts owed to group undertakings	146,525	213,810
Corporation tax	3,333	-
Social security and other taxes	47,594	68,533
Other creditors	61,018	64,008
Accruals and deferred income	54,207	111,562
	<u>£ 721,024</u>	<u>£ 710,533</u>

The bank overdraft facility is secured against certain freehold properties owned by Percy Ingle Services Limited, a fellow subsidiary company. The bank overdraft at 30 June 2001 is £56,301 (2000 - £Nil).

12. DEFERRED TAXATION

	2001 £	2000 £
At 1 July 2000	102,342	108,505
Released during the year	(19,609)	(6,163)
At 30 June 2001	<u>£ 82,733</u>	<u>£ 102,342</u>

Deferred taxation is provided in full and is all in respect of accelerated capital allowances.

13. SHARE CAPITAL

	2001 £	2000 £
Authorised		
7,000 Ordinary shares of £1 each	<u>£ 7,000</u>	<u>£ 7,000</u>
Allotted, called up and fully paid		
5,632 Ordinary shares of £1 each	<u>£ 5,632</u>	<u>£ 5,632</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2001

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Loss for the year	(7,680)	(211,834)
	<u>(7,680)</u>	<u>(211,834)</u>
Opening shareholders' funds	504,361	716,195
Closing shareholders' funds	<u>£ 496,681</u>	<u>£ 504,361</u>

15. NET CASH FLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating loss	(22,638)	(223,357)
Depreciation of tangible fixed assets	253,497	229,592
Profit on disposal of tangible fixed assets	(16,453)	-
Increase in debtors	(42,303)	(26,558)
Decrease in amounts owed by group undertakings	414	353,818
Increase in creditors	18,142	152,477
Decrease in amounts owed to group undertakings	(67,285)	(187,695)
NET CASH INFLOW FROM OPERATIONS	<u>£ 123,374</u>	<u>£ 298,277</u>

16. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	1,177	5,360
Interest paid	(2,495)	-
NET CASH (OUTFLOW)/INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>£ (1,318)</u>	<u>£ 5,360</u>

	2001 £	2000 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(348,843)	(181,901)
Sale of tangible fixed assets	15,000	4,627
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	<u>£ (333,843)</u>	<u>£ (177,274)</u>

PERCY INGLE BAKERIES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 June 2001

17. ANALYSIS OF CHANGES IN NET DEBT

	1 July 2000	Cash flow	Other non-cash changes	30 June 2001
	£	£	£	£
Cash at bank and in hand	159,133	(155,486)	-	3,647
Bank overdraft	-	(56,301)	-	(56,301)
NET FUNDS/(DEBT)	£ 159,133	£ (211,787)	£ -	£ (52,654)

18. OPERATING LEASE COMMITMENTS

At 30 June 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2001	2000	2001	2000
	£	£	£	£
Expiry date:				
Within 1 year	26,625	24,750	-	-
Between 2 and 5 years	42,975	64,850	3,550	3,550
After more than 5 years	271,878	229,120	-	-

19. RELATED PARTY TRANSACTIONS

Transactions with group companies are not disclosed by virtue of the exemption claimed under Financial Reporting Standard 8. The group publishes consolidated accounts.

20. LEASE OF ASSETS

The company has aggregate rentals receivable in relation to operating leases of £4,476 (2000 - £5,906).

At 30 June 2001 the company held land and buildings used in operating leases at a cost of £2,040 (2000 - £2,040), the accumulated depreciation is £2,040 (2000 - £2,040).

21. TRANSACTIONS WITH DIRECTORS

During the year the company made an interest free unsecured loan of £40,500 to DPI Properties Limited, a company controlled by D P Ingle Esq, a director. The balance outstanding at the year end was £40,500.

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Percy Ingle Bakeries Limited regards Percy Ingle Holdings Limited as its ultimate parent company, and D P Ingle Esq as its ultimate controlling party.