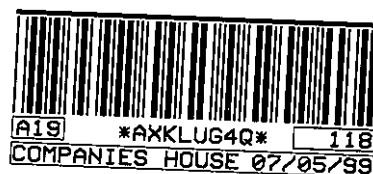


RICHARD BATTERSBY (CORN MERCHANTS) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1998



AUDITORS' REPORT TO RICHARD BATTERSBY (CORN MERCHANTS) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 5 together with the financial statements of Richard Battersby (Corn Merchants) Limited for the year ended 31st December 1998 prepared under section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

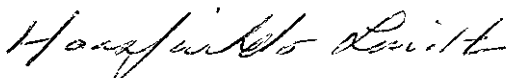
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with those provisions.



Horsfield & Smith
Chartered Accountants and Registered Auditors
Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

Date: 23rd February 1999

RICHARD BATTERSBY (CORN MERCHANTS) LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST DECEMBER 1998

	Notes	1998	1997
		£	£
Fixed Assets	2		
Intangible fixed assets		600	900
Tangible fixed assets		59,276	59,726
		<u>59,876</u>	<u>60,626</u>
Current Assets			
Stock and work in progress		21,950	24,358
Debtors		41,879	43,308
Cash at bank and in hand		8,009	16,917
		<u>71,838</u>	<u>84,583</u>
Creditors: Amounts Falling Due Within One Year		<u>91,484</u>	<u>109,328</u>
Net Current Liabilities		<u>(19,646)</u>	<u>(24,745)</u>
Total Assets Less Current Liabilities		<u>40,230</u>	<u>35,881</u>
Creditors: Amounts Falling Due After More Than One Year		<u>6,667</u>	<u>5,667</u>
		<u>33,563</u>	<u>30,214</u>
Capital and Reserves			
Share capital	3	5,000	5,000
Profit and loss account		28,563	25,214
Shareholders' Funds		<u>33,563</u>	<u>30,214</u>

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

These financial statements were approved by the board on 22nd February 1999 and signed on its behalf.


Mr R M H Purser
Director

RICHARD BATTERSBY (CORN MERCHANTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1998

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention.

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

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates and periods generally applicable are:

Freehold properties	4% per annum
Plant and machinery	25% per annum
Motor vehicles	10% per annum
Furniture and equipment	15% per annum

Goodwill

Purchased goodwill is amortised on a straight-line basis over its estimated useful economic life of five years.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advanced corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

Contribution to Pension Funds

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

RICHARD BATTERSBY (CORN MERCHANTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1998

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

2 Fixed Assets

	Intangible Fixed Assets	Tangible Fixed Assets
	£	£
Cost		
At 1st January 1998	1,500	212,188
Additions	-	10,529
Disposals	-	(7,000)
At 31st December 1998	1,500	215,717
Depreciation and Amortisation		
At 1st January 1998	600	152,462
Charge for the year	300	7,760
On disposals	-	(3,781)
At 31st December 1998	900	156,441
Net Book Value		
At 31st December 1998	600	59,276
<i>At 31st December 1997</i>	<i>900</i>	<i>59,726</i>

Assets held under finance leases originally cost £22,029 (1997 £11,500) and have a net book value of £18,781 (1997 £11,500). The depreciation charged in the year relating to these was £3,248 (1997 nil).

3 Share Capital

	1998 £	1997 £
Authorised Equity Shares		
10,000 Ordinary shares of £1.00 each	10,000	<i>10,000</i>
	10,000	<i>10,000</i>
Allotted Equity Shares		
5,000 Allotted, called up and fully paid ordinary shares of £1.00 each	5,000	<i>5,000</i>

RICHARD BATTERSBY (CORN MERCHANTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1998

4 Secured Creditors

The bank overdraft of £36,174 (1997 £44,901) is secured by a mortgage debenture over the company's assets.
The hire purchase creditor of £12,567 (1997 £8,500) is secured on the assets concerned.