

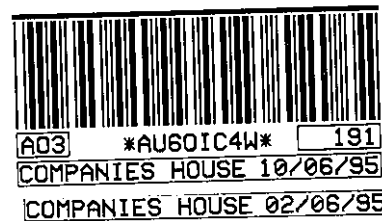
THE VILLAGE BAKERY (COEDPOETH) LIMITED

REGISTERED NUMBER : 1555991

ABBREVIATED ACCOUNTS

for the year ended

31st OCTOBER, 1994



**E. Noel Humphreys & Co.**  
CHARTERED ACCOUNTANTS

THE VILLAGE BAKERY (COEDPOETH) LIMITED

Year ended 31st OCTOBER, 1994

DIRECTORS

A.E. Jones

H. Jones

R.M. Jones

T.E. Jones

SECRETARY

A. Jones

REGISTERED OFFICE

Ruthin Road

Minera

Wrexham

Clwyd

LL11 3RD

REGISTRATION NUMBER

1555991 Registered in England and Wales

AUDITORS

Messrs. E. Noel Humphreys and Co.,  
Registered Auditors and Chartered Accountants  
6 Hunter Street  
Chester  
CH1 2AU

BANKERS

Midland Bank Plc.,

THE VILLAGE BAKERY (COEDPOETH) LIMITED

INDEX TO THE ABBREVIATED ACCOUNTS

for the year ended 31st OCTOBER, 1994

	<u>Page</u>
Directors' Report,	1 - 2
Auditors' Report,	3
Abbreviated Profit and Loss Account,	4
Abbreviated Balance Sheet,	5
Cash Flow Statement,	6
Notes to the Financial Statements,	7 - 13

THE VILLAGE BAKERY (COEDPOETH) LIMITED

DIRECTORS' REPORT for the year ended 31st OCTOBER, 1994

The directors present their report and the financial statements for the year ended 31st October, 1994.

PRINCIPAL ACTIVITY

The principal activity of the company is the baking, wholesaling and retailing of bread, morning goods, savouries and related products.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

RESULTS AND DIVIDENDS

A summary of the results of the year's trading is given on page 4 of the accounts.

The directors recommended and paid an interim and final dividend on ordinary shares and a redeemable preference dividend for the current year, details of which are set out in note 11.

The retained profit for the year of £143,570 (1993-£60,497) is to be transferred to reserves.

DIRECTORS

The directors set out below have held office during the whole of the period from 1st November, 1993 to the date of this report. The interests of the directors in the share capital of the company were as follows :-

	<u>At 31.10.94</u>		<u>At 31.10.93</u>	
	<u>Ordinary</u>	<u>Redeemable</u>	<u>Ordinary</u>	<u>Redeemable</u>
	<u>£1 shares</u>	<u>Preference</u>	<u>£1 shares</u>	<u>Preference</u>
		<u>£1 shares</u>		<u>£1 shares</u>
A.E. Jones,	100	12,837	100	12,837
H. Jones,	-	-	-	-
T.E. Jones,	-	-	-	-
R.M. Jones,	-	-	-	-

THE VILLAGE BAKERY (COEDPOETH) LIMITED

DIRECTORS' REPORT for the year ended 31st OCTOBER, 1994

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following statement is made with a view distinguishing the respective responsibilities of the directors and of the auditors in relation to the financial statements. It should therefore be read in conjunction with the Report of the Auditors set out on page 3.

The directors are required by the Companies Act, 1985 to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company at the end of the financial year and of the profit or loss for that period. In preparing the financial statements, the directors are required to :-

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are also responsible for ensuring that the company keeps proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the company and which enables them to ensure that the financial statements comply with the Companies Act, 1985. They also have general responsibility for safeguarding the assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

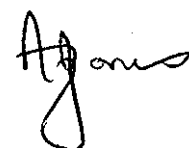
FIXED ASSETS

Movement of tangible fixed assets during the year is recorded in note 6 of the accounts.

AUDITORS

The auditors, Messrs. E. Noel Humphreys and Co., have indicated their willingness to continue in office and will be proposed for re-appointment in accordance with Section 385 of the Companies Act, 1985.

By Order of the Board.



A. JONES  
Secretary

Registered Office

Ruthin Road,  
Minera, Nr. Wrexham,

12th APRIL, 1995

AUDITORS' REPORT TO THE DIRECTORS OF  
THE VILLAGE BAKERY (COEDPOETH) LIMITED  
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8  
TO THE COMPANIES ACT, 1985

We have examined the abbreviated accounts on pages 4 to 13 together with the full financial statements of The Village Bakery (Coedpoeth) Limited for the year ended 31st October, 1994. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemption claimed in the directors' statement on page 5 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act, 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act, in respect of the year ended 31st October, 1994 and the abbreviated accounts on pages 4 to 13 have been properly prepared in accordance with that Schedule.

On 12th April, 1995 we reported, as auditors of The Village Bakery (Coedpoeth) Limited to the members on the full financial statements prepared under section 226 of the Companies Act, 1985 for the year ended 31st October, 1994, and our audit report was as follows :-

"We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

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.

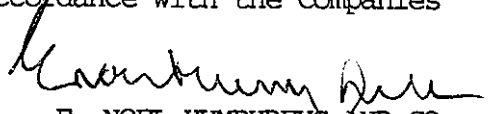
BASIS OF OPINION

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 other irregularity or error. 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 31st October, 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

  
E. NOEL HUMPHREYS AND CO.,  
Registered Auditors  
Chartered Accountants

CHESTER, 12th APRIL, 1995

THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

for the year ended 31st OCTOBER, 1994

			<u>1993</u>
	<u>Notes</u>	£	£
<u>GROSS PROFIT,</u>		1,254,721	967,052
Distribution Costs,	86,938	76,494	
Administrative Expenses,	<u>592,596</u>	<u>497,200</u>	
		<u>679,534</u>	<u>573,694</u>
<u>OPERATING PROFIT,</u>	2	575,187	393,358
Interest Receivable,	3	9,385	4,889
<u>PROFIT ON ORDINARY ACTIVITIES</u>			
<u>BEFORE TAXATION,</u>		584,572	398,247
Tax on profit on ordinary activites, 5		196,110	101,798
<u>PROFIT ON ORDINARY ACTIVITIES</u>			
<u>AFTER TAXATION,</u>		388,462	296,449
Dividends paid,	11	244,892	235,952
<u>RETAINED PROFIT</u> for the year,	13,	£143,570	£60,497

The results shown above are in respect of continuing operations.

There were no gains or losses other than the profit for the financial year.

THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED BALANCE SHEET as at 31st OCTOBER, 1994

	<u>Notes</u>	£	<u>1993</u> £
<u>FIXED ASSETS</u>			
Tangible Assets,	6	829,939	832,184
Investments,	7	<u>100</u>	<u>100</u>
		830,039	832,284
<u>CURRENT ASSETS</u>			
Stocks,	8	57,603	46,773
Debtors,	9	297,590	271,906
Cash at Bank and in Hand,		<u>240,094</u>	<u>69,779</u>
		595,287	388,458
<u>CREDITORS: Amounts falling due within one year,</u>	10	<u>422,667</u>	<u>358,653</u>
<u>NET CURRENT ASSETS,</u>		<u>172,620</u>	<u>29,805</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES,</u>		<u>£1,002,659</u>	<u>£862,089</u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital,	12	24,222	24,222
Profit and Loss Account,	13	922,619	782,049
Capital Reserve,	13	<u>55,818</u>	<u>55,818</u>
<u>SHAREHOLDERS' FUNDS,</u>	14	<u>£1,002,659</u>	<u>£862,089</u>

In preparing these abbreviated accounts advantage has been taken of the exemptions conferred by Section B of Part III of Schedule 8 to the Companies Act, 1985 on the grounds that that company is entitled to those exemptions as a medium sized company.

Approved by the board on 12th April, 1995 and signed on its behalf by :-

A.E. JONES, Director

5.



THE VILLAGE BAKERY (COEDPOETH) LIMITED

CASHFLOW STATEMENT

for the year ended 31st OCTOBER, 1994

			<u>1993</u>
	<u>Notes</u>	£	£
<u>NET CASH INFLOW FROM</u> <u>OPERATING ACTIVITIES,</u>	16a	693,671	544,528
<u>RETURNS ON INVESTMENTS</u> <u>AND SERVICING OF FINANCE</u>			
Interest received,	9,385	4,889	
Dividends paid,	(244,892)	(235,952)	
<u>NET CASH OUTFLOW FROM</u> <u>RETURNS ON INVESTMENTS</u> <u>AND SERVICING OF FINANCE,</u>		(235,507)	(231,063)
<u>TAXATION</u>			
Corporation tax paid,		(112,841)	(78,141)
<u>INVESTING ACTIVITIES</u>			
Purchase of intangible fixed assets,	(3,000)	(28,010)	
Purchase of tangible fixed assets,	(179,133)	(173,490)	
Sale of tangible fixed assets,	<u>7,125</u>	<u>8,325</u>	
<u>NET CASH OUTFLOW FROM</u> <u>INVESTING ACTIVITIES,</u>		(175,008)	(193,175)
<u>NET CASH INFLOW</u> <u>BEFORE FINANCING,</u>		170,315	42,149
<u>FINANCING</u>			
Redemption of redeemable preference shares,	16d <u>-</u>	(11,085)	
<u>NET CASH OUTFLOW</u> <u>FROM FINANCING,</u>		-	(11,085)
<u>INCREASE IN CASH AND</u> <u>CASH EQUIVALENTS,</u>	16b, 16c	£170,315	£31,064

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st OCTOBER, 1994

1. ACCOUNTING POLICIES

The principal accounting policies are set out below, and remain unchanged from the previous year.

a. Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

b. Turnover

Turnover is the total amount receivable by the company excluding value added tax, where applicable, in respect of goods supplied and services provided.

c. Depreciation

Depreciation has been calculated to write-off the cost less estimated residual value of fixed assets on a straight line basis over their estimated useful lives, as follows :-

	<u>Number of Years</u>
Leasehold Property,	Period of lease
Plant and machinery,	10
Motor Vehicles,	5
Office Equipment,	4

d. Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a "first in, first out" basis and includes an appropriate proportion of overhead expenses. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

e. Deferred Taxation

Deferred taxation is provided in respect of the tax effect of all timing differences, to the extent that it is probable that a liability or asset will crystallise in the foreseeable future at the rates of tax expected to apply when the timing differences reverse.

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS, Continued

for the year ended 31st OCTOBER, 1994

1. ACCOUNTING POLICIES Continued

f. Goodwill

Goodwill represents the excess of cost of acquisition over the fair value of the separable net assets acquired. Goodwill is written off to reserves immediately upon acquisition.

g. Pension Costs

The company operates two pension schemes one for directors and the other for staff. Under both schemes contributions are administered by trustees in funds managed by insurance companies. These funds are independent of the company's own assets. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. OPERATING PROFIT

Operating profit is stated after taking into account the following :-

	<u>1994</u>	<u>1993</u>
	£	£
Hire of Plant and Machinery,	611	2,088
Depreciation,	178,348	157,655
Profit on disposal of fixed assets,	(4,095)	(5,236)
Auditors' remuneration,	5,175	5,415
	<hr/>	<hr/>
<u>Directors' Remuneration</u>		
Fees,	99,453	87,341
Other Emoluments (including Pension contributions and estimated benefits),	33,565	20,785
	<hr/>	<hr/>
	£133,018	£108,126
	<hr/>	<hr/>
Highest paid director,	£74,313	£63,233
	<hr/>	<hr/>

The number of other directors who received emoluments (excluding pensions and pension contributions) in the following ranges were :-

	<u>1994</u>	<u>1993</u>
£0,	1	1
£20,001 to £25,000,	-	2
£25,001 to £30,000,	2	-
	<hr/>	<hr/>
	3	3
	<hr/>	<hr/>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS, Continued

for the year ended 31st OCTOBER, 1994

3. INTEREST RECEIVABLE

	<u>1994</u>	<u>1993</u>
	£	£
Bank deposit interest receivable,	£9,385	£4,889
	<u>          </u>	<u>          </u>

4. STAFF COSTS

The average number of people, including directors, employed by the company during the year was as follows :-

	<u>No</u>	<u>No</u>
Production,	64	46
Administration,	10	10
Sales,	23	23
	<u>      </u>	<u>      </u>
Total employees,	97	79
	<u>      </u>	<u>      </u>

The aggregate payroll costs of these employees were as follows :-

	£	£
Wages and salaries,	876,883	696,973
Social security costs,	67,965	102,117
Other pension costs,	28,837	29,451
	<u>          </u>	<u>          </u>
	£973,685	£828,541
	<u>          </u>	<u>          </u>

5. TAXATION

	£	£
United Kingdom Corporation Tax based on profits for the year at 30.6% (1993 - 27.7%),	191,223	111,501
Adjustment in respect of previous years,	<u>4,887</u>	<u>(9,703)</u>
	£196,110	£101,798
	<u>          </u>	<u>          </u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS, Continued

for the year ended 31st OCTOBER, 1994

6. TANGIBLE FIXED ASSETS

	<u>Short Leasehold</u>	<u>Office Equipment</u>	<u>Plant and Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
<u>Cost</u>					
At 1st November, 1993,	20,384	53,537	1,132,306	388,408	1,594,635
Additions,	5,802	13,756	103,358	56,217	179,133
Disposals,	-	-	(3,800)	(47,154)	(50,954)
At 31st October, 1994,	£26,186	£67,293	£1,231,864	£397,471	£1,722,814
	=====	=====	=====	=====	=====
<u>Depreciation</u>					
At 1st November, 1993,	5,319	41,474	451,018	264,640	762,451
Charge for year,	3,741	8,731	108,627	57,249	178,348
Eliminated on disposals,	-	-	(770)	(47,154)	(47,924)
At 31st October, 1994,	£9,060	£50,205	£558,875	£274,735	£892,875
	=====	=====	=====	=====	=====
<u>Net Book Value</u>					
At 31st October, 1994,	£17,126	£17,088	£672,989	£122,736	£829,939
	=====	=====	=====	=====	=====
At 31st October, 1993,	£15,065	£12,063	£681,288	£123,768	£832,184
	=====	=====	=====	=====	=====

7. INVESTMENTS

The company owns the entire issued share capital of Village Puddin's 'n Pies Limited a company incorporated in England. The company was dormant throughout the year.

8. STOCKS

	<u>1994</u>	<u>1993</u>
	£	£
Raw material and consumables,	55,923	44,137
Finished goods and goods for resale,	<u>1,680</u>	<u>2,636</u>
	£57,603	£46,773
	=====	=====

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS, Continued

for the year ended 31st OCTOBER, 1994

9. DEBTORS

	<u>1994</u>	<u>1993</u>
	£	£
Trade debtors,	267,268	248,842
Other debtors,	24,580	19,217
Prepayments and accrued income,	<u>5,742</u>	<u>3,847</u>
	<u>£297,590</u>	<u>£271,906</u>

10. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR

Trade creditors,	100,930	97,605
Amounts owed to subsidiary,	79,761	79,761
Corporation tax,	130,000	43,000
Other tax and social security,	26,444	25,992
A.C.T. payable,	21,223	24,954
Accruals and deferred income,	<u>64,309</u>	<u>87,341</u>
	<u>£422,667</u>	<u>£358,653</u>

11. DIVIDENDS

Redeemable preference shares to 31.10.94,	2,392	3,452
Ordinary share capital :-		
Interim £533.33 per share (1993 - £517),	160,000	155,000
Final £275 per share (1993 - £258),	<u>82,500</u>	<u>77,500</u>
	<u>£244,892</u>	<u>£235,952</u>

12. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted and Fully Paid</u>	
	<u>1994</u>	<u>1993</u>	<u>1994</u>	<u>1993</u>
	£	£	£	£
10% redeemable preference shares of £1 each,	149,700	149,700	23,922	23,922
Ordinary shares of £1 each,	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>
	<u>£150,000</u>	<u>£150,000</u>	<u>£24,222</u>	<u>£24,222</u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS, Continued

for the year ended 31st OCTOBER, 1994

13. RESERVES

	<u>Profit and Loss Account</u>	<u>Capital Reserve</u>	<u>Total</u>
	£	£	£
At 1st November, 1993,	782,049	55,818	837,867
Retained profit for the year,	143,570	-	143,570
Goodwill written off,	(3,000)	-	(3,000)
At 31st October, 1994,	£922,619	£55,818	£978,437

14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1994</u>	<u>1993</u>
	£	£
Profit for the financial year,	388,462	296,449
Dividends paid,	(244,892)	(235,952)
	143,570	60,497
Preference shares redeemed during the year,	-	(11,085)
Goodwill written off,	(3,000)	(28,010)
Net Addition to Shareholders' Funds,	140,570	21,402
Opening Shareholders' Funds,	862,089	840,687
Closing Shareholders' Funds,	£1,002,659	£862,089

15. DEFERRED TAXATION

No provision has been made for deferred taxation on the timing differences arising between depreciation and capital allowances. The maximum potential liability to deferred taxation amounts to £85,000 (1993 - £80,000)

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES THE THE FINANCIAL STATEMENTS, Continued

for the year ended 31st OCTOBER, 1994

16. NOTES TO THE CASHFLOW STATEMENT

a. Reconciliation of operating profit to cashflow from operating activities

	<u>1994</u>	<u>1993</u>
	£	£
Operating Profit,	575,187	393,358
Depreciation charges,	178,348	157,655
Profit on sale of tangible fixed assets,	(4,095)	(5,236)
(Increase)/Decrease in stocks,	(10,830)	264
Increase in debtors,	(25,684)	(67,631)
(Decrease)/Increase in creditors,	<u>(19,255)</u>	<u>66,118</u>
Net cash inflow from operating activities,	<u>£693,671</u>	<u>£544,528</u>

b. Analysis of movements in cash and cash equivalents during the year

Balance at 1st November, 1993,	69,779	38,715
Net cash inflow,	<u>170,315</u>	<u>31,064</u>
Balance at 31st October, 1994,	<u>£240,094</u>	<u>£69,779</u>

c. Analysis of the balance of cash and cash equivalents as shown in the balance sheet

	<u>1994</u>	<u>1993</u>	<u>1994</u>	<u>1993</u>
	£	£	<u>Change</u>	<u>Change</u>
			<u>in year</u>	<u>in year</u>
			£	£
Cash at bank and in hand, £240,094	<u>£240,094</u>	<u>£69,779</u>	<u>£170,315</u>	<u>£31,064</u>

d. Analysis of changes in financing during the year

	<u>1994</u>	<u>1993</u>
	£	£
Balance at 1st November, 1993,	24,222	35,307
Redeemed during year,	<u>-</u>	<u>(11,085)</u>
Balance at 31st October, 1994,	<u>£24,222</u>	<u>£24,222</u>

17. HOLDING COMPANY

The ultimate holding company is Endeavour Investments Limited, a company incorporated in the Isle of Man.