

REGISTERED NUMBER: 1555991 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST OCTOBER 2002

FOR

THE VILLAGE BAKERY (COEDPOETH) LIMITED



THE VILLAGE BAKERY (COEDPOETH) LIMITED

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FOR THE YEAR ENDED 31ST OCTOBER 2002

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THE VILLAGE BAKERY (COEDPOETH) LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31ST OCTOBER 2002

DIRECTORS:
A E Jones
R M Jones
T E Jones
C C Jones

SECRETARY: A Jones

REGISTERED OFFICE: Ruthin Road
Minera
WREXHAM
LL11 3RD

REGISTERED NUMBER: 1555991 (England and Wales)

AUDITORS: M. D. Coxey and Co.
Chartered Accountants
and Registered Auditors
25, Grosvenor Road
Wrexham
LL11 1BT

BANKERS: HSBC Bank plc.
17-19 Regent Street
Wrexham
LL11 1RY

THE VILLAGE BAKERY (COEDPOETH) LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST OCTOBER 2002

The directors present their report with the financial statements of the company for the year ended 31st October 2002.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of baking, wholesaling and retailing of bread, morning goods, savouries and related goods.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors are pleased to report a very satisfactory year. The significant investment made in the year under review has underpinned the growth in the business, and together with further planned investment, will continue to do so into the future.

DIVIDENDS

The results for the year are shown in the profit and loss account on page 5. Details of dividends paid during the year are shown in note 7.

FIXED ASSETS

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 9.

DIRECTORS

The directors during the year under review were:

A E Jones
R M Jones
T E Jones
C C Jones

The beneficial interests of the directors holding office on 31st October 2002 in the issued share capital of the company were as follows:

	31.10.02	1.11.01
Ordinary £1 shares		
A E Jones	100	100
R M Jones	-	-
T E Jones	-	-
C C Jones	-	-
10% Redeemable Preference £1 shares		
A E Jones	12,837	12,837
R M Jones	-	-
T E Jones	-	-
C C Jones	-	-

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 VILLAGE BAKERY (COEDPOETH) LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST OCTOBER 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

AUDITORS

The auditors, M. D. Coxey and Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
A Jones - SECRETARY

Dated: 27.3.03

THE VILLAGE BAKERY (COEDPOETH) LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO
THE VILLAGE BAKERY (COEDPOETH) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages five to seventeen, together with the full financial statements of the company for the year ended 31st October 2002 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 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 financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of 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 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to seventeen are properly prepared in accordance with that provision.



M. D. Coxey and Co.
Chartered Accountants
and Registered Auditors
25, Grosvenor Road
Wrexham
LL11 1BT

Dated: 27/3/03.

THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST OCTOBER 2002

		31.10.02	31.10.01
	Notes	£	£
GROSS PROFIT		1,928,183	1,813,382
Administrative expenses		1,467,081	1,465,969
OPERATING PROFIT	3	461,102	347,413
Interest receivable and similar income		4,661	18,949
		465,763	366,362
Interest payable and similar charges	4	1,248	1,404
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		464,515	364,958
Tax on profit on ordinary activities	5	107,241	162,625
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		357,274	202,333
Dividends (including non-equity shares)	6	363,093	1,284
		(5,819)	201,049
Retained profit brought forward		1,873,140	1,672,091
RETAINED PROFIT CARRIED FORWARD		<u>£1,867,321</u>	<u>£1,873,140</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED BALANCE SHEET
31ST OCTOBER 2002

		31.10.02		31.10.01	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	7		20,627		22,918
Tangible assets	8		2,797,176		1,700,216
Investments	9		100		100
			<hr/>		<hr/>
			2,817,903		1,723,234
CURRENT ASSETS:					
Stocks	10	85,793		69,571	
Debtors	11	542,814		561,631	
Cash at bank		187,482		492,365	
		<hr/>		<hr/>	
		816,089		1,123,567	
CREDITORS: Amounts falling due within one year	12	1,046,031		751,783	
		<hr/>		<hr/>	
NET CURRENT (LIABILITIES)/ASSETS:			(229,942)		371,784
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES:			2,587,961		2,095,018
PROVISIONS FOR LIABILITIES AND CHARGES:	14		(168,464)		(91,304)
ACCRUALS AND DEFERRED INCOME:	15		(421,602)		-
			<hr/>		<hr/>
			£1,997,895		£2,003,714
			<hr/>		<hr/>

The notes form part of these financial statements

THE VILLAGE BAKERY (COEDPOETH) LIMITED

ABBREVIATED BALANCE SHEET
31ST OCTOBER 2002

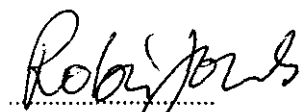
		31.10.02		31.10.01	
	Notes	£	£	£	£
CAPITAL AND RESERVES:					
Called up share capital	16		13,137		13,137
Capital redemption reserve	17		117,437		117,437
Profit and loss account			1,867,321		1,873,140
SHAREHOLDERS' FUNDS					
(including non-equity					
interests):	20		£1,997,895		£2,003,714

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



A E Jones - DIRECTOR



R M Jones - DIRECTOR

Approved by the Board on 27/3/03

THE VILLAGE BAKERY (COEDPOETH) LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST OCTOBER 2002

		31.10.02	31.10.01
	Notes	£	£
Net cash inflow from operating activities	1	818,834	636,672
Returns on investments and servicing of finance	2	2,129	16,261
Taxation		(79,650)	(16,509)
Capital expenditure	2	(1,499,395)	(626,788)
		<u>(758,082)</u>	<u>9,636</u>
Financing	2	453,199	-
(Decrease)/Increase in cash in the period		<u>£(304,883)</u>	<u>£9,636</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		<u>(304,883)</u>	<u>9,636</u>
Change in net funds resulting from cash flows		<u>(304,883)</u>	<u>9,636</u>
Movement in net funds in the period		<u>(304,883)</u>	<u>9,636</u>
Net funds at 1st November		<u>492,365</u>	<u>482,729</u>
Net funds at 31st October		<u>£187,482</u>	<u>£492,365</u>

The notes form part of these financial statements

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST OCTOBER 2002

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.10.02 £	31.10.01 £
Operating profit	461,102	347,413
Depreciation charges	317,342	275,890
Loss on sale of fixed assets	87,384	-
Profit on sale of fixed assets	-	(5,550)
Amortisation of Government grants	(31,597)	-
(Increase)/Decrease in stocks	(16,222)	2,549
Decrease/(Increase) in debtors	18,817	(115,587)
(Decrease)/Increase in creditors	(17,992)	131,957
Net cash inflow from operating activities	<u>818,834</u>	<u>636,672</u>

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

	31.10.02 £	31.10.01 £
Returns on investments and servicing of finance		
Interest received	4,661	18,949
Interest element of hire purchase or finance lease rentals payments	(1,248)	(1,404)
Dividends paid on non-equity shares	(1,284)	(1,284)
Net cash inflow for returns on investments and servicing of finance	<u>2,129</u>	<u>16,261</u>
Capital expenditure		
Purchase of tangible fixed assets	(1,503,172)	(632,338)
Sale of tangible fixed assets	3,777	5,550
Net cash outflow for capital expenditure	<u>(1,499,395)</u>	<u>(626,788)</u>
Financing		
Government grants received	453,199	-
Net cash inflow from financing	<u>453,199</u>	<u>-</u>

The notes form part of these financial statements

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST OCTOBER 2002

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.11.01 £	Cash flow £	At 31.10.02 £
Net cash:			
Cash at bank	492,365	(304,883)	187,482
	<u>492,365</u>	<u>(304,883)</u>	<u>187,482</u>
Total	<u>492,365</u>	<u>(304,883)</u>	<u>187,482</u>
Analysed in Balance Sheet			
Cash at bank	492,365		187,482
	<u>492,365</u>		<u>187,482</u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2000, is being written off evenly over its estimated useful life of twelve years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 20% on cost

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a pension scheme for the benefit of directors. Under the terms of the scheme contributions are administered by trustees in funds managed by an insurance company. These funds are independent of the company's own assets.

Contributions are made to a group personal pension plan for the benefit of staff managed by an independent insurance company. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Government grants

Government grants received in respect of capital expenditure are credited to a reserve and amortised over the expected economic life of the assets concerned.

2. **STAFF COSTS**

	31.10.02	31.10.01
	£	£
Wages and salaries	1,733,637	1,771,584
Social security costs	172,850	169,140
Other pension costs	28,555	29,099
	<u>1,935,042</u>	<u>1,969,823</u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

2. **STAFF COSTS - continued**

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

	31.10.02	31.10.01
Production Staff	69	74
Administration Staff	11	11
Sales	66	62
	<u>146</u>	<u>147</u>

3. **OPERATING PROFIT**

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

	31.10.02	31.10.01
	£	£
Depreciation - owned assets	315,051	273,599
Loss/(Profit) on disposal of fixed assets	87,384	(5,550)
Goodwill written off	2,291	2,291
Auditors' remuneration	8,500	8,000
Operating lease rentals	59,183	59,183
Hire of plant & machinery	1,248	1,404
	<u>521,033</u>	<u>648,306</u>
Directors' emoluments	15,509	14,626
Directors' pension contributions to money purchase schemes	<u>15,509</u>	<u>14,626</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	4	4
	<u>4</u>	<u>4</u>

Information regarding the highest paid director is as follows:

	31.10.02	31.10.01
	£	£
Emoluments etc	155,756	226,544
Pension contributions to money purchase schemes	1,988	10,000
	<u>157,744</u>	<u>236,544</u>

4. **INTEREST PAYABLE AND SIMILAR CHARGES**

	31.10.02	31.10.01
	£	£
Leasing	1,248	1,404
	<u>1,248</u>	<u>1,404</u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

5. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.10.02 £	31.10.01 £
Current tax:		
UK corporation tax	30,081	79,650
Adjustment in respect of earlier years	-	(8,329)
	<u>30,081</u>	<u>71,321</u>
Total current tax		
	<u>30,081</u>	<u>71,321</u>
Deferred tax:		
Deferred taxation	77,160	91,304
Tax on profit on ordinary activities	<u>107,241</u>	<u>162,625</u>

UK corporation tax was charged at 20% in 2001.

6. **DIVIDENDS**

	31.10.02 £	31.10.01 £
Equity shares:		
300 Ordinary shares of £1 each		
Final: ordinary shares	<u>361,809</u>	<u>-</u>
Non-equity shares:		
12,837 10% Redeemable Preference shares of £1 each		
Final: preference shares	<u>1,284</u>	<u>1,284</u>
	<u>363,093</u>	<u>1,284</u>

7. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST:	
At 1st November 2001	
and 31st October 2002	<u>27,500</u>
AMORTISATION:	
At 1st November 2001	4,582
Charge for year	<u>2,291</u>
At 31st October 2002	<u>6,873</u>
NET BOOK VALUE:	
At 31st October 2002	<u>20,627</u>
At 31st October 2001	<u>22,918</u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

8. **TANGIBLE FIXED ASSETS**

	Freehold property	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1st November 2001	961,019	1,975,761	114,125	788,636	3,839,541
Additions	389,014	991,120	23,384	99,654	1,503,172
Disposals	-	(348,039)	(16,433)	(211,764)	(576,236)
At 31st October 2002	1,350,033	2,618,842	121,076	676,526	4,766,477
DEPRECIATION:					
At 1st November 2001	66,188	1,410,539	100,355	562,243	2,139,325
Charge for year	44,428	169,977	17,112	83,534	315,051
Eliminated on disposals	-	(339,609)	(16,433)	(129,033)	(485,075)
At 31st October 2002	110,616	1,240,907	101,034	516,744	1,969,301
NET BOOK VALUE:					
At 31st October 2002	1,239,417	1,377,935	20,042	159,782	2,797,176
At 31st October 2001	894,831	565,222	13,770	226,393	1,700,216

9. **FIXED ASSET INVESTMENTS**

	£
COST:	
At 1st November 2001 and 31st October 2002	100
NET BOOK VALUE:	
At 31st October 2002	100
At 31st October 2001	100
	31.10.02 31.10.01
	£ £
Unlisted investments	100 100

The company owns the entire share capital of Village Puddin's 'n Pies Limited, a company incorporated in England & Wales, registered number 2048981. The company was dormant throughout the year.

10. **STOCKS**

	31.10.02	31.10.01
	£	£
Raw materials & consumables	80,733	64,294
Finished goods and goods for resale	5,060	5,277
	85,793	69,571

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

**11. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.10.02	31.10.01
	£	£
Trade debtors	516,227	475,101
Other debtors	13,836	65,766
Prepayments	12,751	20,764
	<u>542,814</u>	<u>561,631</u>

**12. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.10.02	31.10.01
	£	£
Trade creditors	209,593	243,718
Dividend proposed	361,809	-
Social security & other taxes	29,191	73,440
Amounts owed to group undertakings	79,761	79,761
Taxation	30,081	79,650
Accruals and deferred income	335,596	275,214
	<u>1,046,031</u>	<u>751,783</u>

13. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	31.10.02	31.10.01	31.10.02	31.10.01
	£	£	£	£
Expiring:				
Within one year	9,104	-	1,248	1,248
Between one and five years	-	9,104	-	-
In more than five years	46,790	46,790	-	-
	<u>55,894</u>	<u>55,894</u>	<u>1,248</u>	<u>1,248</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES

	31.10.02	31.10.01
	£	£
Deferred tax	<u>168,464</u>	<u>91,304</u>

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

14. **PROVISIONS FOR LIABILITIES AND CHARGES - continued**

	Deferred tax £	
Balance at 1st November 2001	91,304	
Unprovided in prior years		
Movement in the year due to:		
- changes in tax rates		
- changes in tax allowances	77,160	
	<u>168,464</u>	
Balance at 31st October 2002	<u>168,464</u>	
Deferred tax provision	31.10.02	31.10.01
	£	£
Excess tax allowances over depreciation of tangible fixed assets	168,464	91,304
	<u>168,464</u>	<u>91,304</u>

15. **ACCRUALS AND DEFERRED INCOME**

	31.10.02	31.10.01
	£	£
Deferred government grants		
Received in year	453,199	-
Amortisation	(31,597)	-
	<u>421,602</u>	<u>-</u>

16. **CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	31.10.02	31.10.01
			£	£
300	Ordinary	£1	300	300
149,700	10% Redeemable Preference	£1	149,700	149,700
			<u>150,000</u>	<u>150,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.10.02	31.10.01
			£	£
300	Ordinary	£1	300	300
12,837	10% Redeemable Preference	£1	12,837	12,837
			<u>13,137</u>	<u>13,137</u>

The non-voting preference shares are redeemable at par at the company's option.

THE VILLAGE BAKERY (COEDPOETH) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

17. **CAPITAL REDEMPTION RESERVE**

	31.10.02	31.10.01
	£	£
Brought forward	<u>117,437</u>	<u>117,437</u>

18. **PENSION COMMITMENTS**

The company operates two defined contribution schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charges represent contributions payable by the company and amounted to £28,555 (2001: £29,099).

19. **CAPITAL COMMITMENTS**

	31.10.02	31.10.01
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>1,094,239</u>

20. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31.10.02	31.10.01
	£	£
Profit for the financial year	357,274	202,333
Dividends	<u>(363,093)</u>	<u>(1,284)</u>
Net (reduction)/addition to shareholders' funds	(5,819)	201,049
Opening shareholders' funds	<u>2,003,714</u>	<u>1,802,665</u>
Closing shareholders' funds	<u>1,997,895</u>	<u>2,003,714</u>
Equity interests	1,985,058	1,990,877
Non-equity interests	<u>12,837</u>	<u>12,837</u>
	<u><u>1,997,895</u></u>	<u><u>2,003,714</u></u>