

Company Registration No. 1665621 (England and Wales)

BOBBYS FOODS SOUTH WALES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2003



BOBBYS FOODS SOUTH WALES LIMITED

COMPANY INFORMATION

Directors	D.Hancock M.W.Hancock R.S.Isaac
Secretary	C.A.Baker
Company number	1665621
Registered office	Saxon Park Hanbury Road Bromsgrove Worcs
Auditors	K.N.Martin & Co. 21 East Street Bromley Kent BR1 1QE
Bankers	HSBC Bank plc 47 High Street Bromsgrove Worcs.

BOBBYS FOODS SOUTH WALES LIMITED

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BOBBYS FOODS SOUTH WALES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2003

The directors present their report and financial statements for the year ended 30 September 2003.

Principal activities and review of the business

The company's principal activity during the year continued to be the wholesale of foods and confectionery.

Results and dividends

The results for the year are set out on page 4.

Directors

The following directors have held office since 1 October 2002:

D.Hancock
M.W.Hancock
R.S.Isaac

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2003	1 October 2002
D.Hancock	2,500	2,500
M.W.Hancock	-	-
R.S.Isaac	-	-

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
 - ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts;
- and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented 0 (2002- 0) days' purchases.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that K.N.Martin & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

BOBBYS FOODS SOUTH WALES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2003

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

On behalf of the board



M.W.Hancock

Director

21 April 2004

BOBBYS FOODS SOUTH WALES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BOBBYS FOODS SOUTH WALES LIMITED

We have audited the financial statements of BOBBYS FOODS SOUTH WALES LIMITED on pages 4 to 13 for the year ended 30 September 2003. These financial statements have been prepared under the historical cost convention and 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 auditor's 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

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company 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 United Kingdom 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 30 September 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

K.N.Martin & Co.

23 April 2004

Chartered Certified Accountants

Registered Auditor

K.N. Martin

21 East Street
Bromley
Kent BR1 1QE

BOBBYS FOODS SOUTH WALES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2003

	Notes	2003 £	2002 £
Turnover	2	1,668,814	1,628,773
Cost of sales		(1,075,777)	(1,060,063)
Gross profit		<u>593,037</u>	<u>568,710</u>
Administrative expenses		(496,075)	(485,546)
Profit on ordinary activities before taxation	3	<u>96,962</u>	<u>83,164</u>
Tax on profit on ordinary activities	4	(29,467)	(23,904)
Profit on ordinary activities after taxation	11	<u>67,495</u>	<u>59,260</u>

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.

BOBBYS FOODS SOUTH WALES LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	5		151,131		156,765
Current assets					
Stocks	6	44,965		47,446	
Debtors	7	61,778		62,264	
Cash at bank and in hand		429,018		340,227	
		<u>535,761</u>		<u>449,937</u>	
Creditors: amounts falling due within one year	8	<u>(65,872)</u>		<u>(53,177)</u>	
Net current assets			469,889		396,760
Total assets less current liabilities			<u>621,020</u>		<u>553,525</u>
Capital and reserves					
Called up share capital	10	10,000		10,000	
Profit and loss account	11	611,020		543,525	
Shareholders' funds - equity interests	12	<u>621,020</u>		<u>553,525</u>	

The financial statements were approved by the Board on 21 April 2004

M.W.Hancock
Director



R.S.Isaac
Director



BOBBYS FOODS SOUTH WALES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2003

	£	2003 £	£	2002 £
Net cash inflow from operating activities		148,129		124,514
Taxation		(23,767)		(24,204)
Capital expenditure				
Payments to acquire tangible assets	(38,322)		(61,308)	
Receipts from sales of tangible assets	2,751		2,000	
Net cash outflow for capital expenditure		(35,571)		(59,308)
Net cash inflow before management of liquid resources and financing		88,791		41,002
Increase in cash in the year		88,791		41,002

BOBBYS FOODS SOUTH WALES LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2003

1	Reconciliation of operating profit to net cash inflow from operating activities	2003 £	2002 £
	Operating profit	96,962	83,164
	Depreciation of tangible assets	39,715	41,106
	Loss on disposal of tangible assets	1,490	1,038
	Decrease in stocks	2,481	1,803
	Decrease/(increase) in debtors	486	(2,242)
	Increase/(decrease) in creditors within one year	6,995	(355)
	Net cash inflow from operating activities	148,129	124,514

2	Analysis of net funds	1 October 2002 £	Cash flow £	Other non-cash changes £	30 September 2003 £
	Net cash:				
	Cash at bank and in hand	340,227	88,791	-	429,018
	Net funds	340,227	88,791	-	429,018

3	Reconciliation of net cash flow to movement in net funds	2003 £	2002 £
	Increase in cash in the year	88,791	41,002
	Movement in net funds in the year	88,791	41,002
	Opening net funds	340,227	299,225
	Closing net funds	429,018	340,227

BOBBYS FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Land and buildings Freehold	Straight line over fifty years
Plant and machinery	15% and 25% Reducing balance
Motor vehicles	25% Reducing balance

1.4 Stock

Stock is valued at the lower of cost and net realisable value.

1.5 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

2 Turnover

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

3 Operating profit

	2003	2002
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	39,715	41,106
Loss on disposal of tangible assets	1,490	1,038
Auditors' remuneration	2,750	2,500
Remuneration of auditors for non-audit work	745	735
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BOBBYS FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

4	Taxation	2003 £	2002 £
	Domestic current year tax		
	U.K. corporation tax	29,700	24,000
	Adjustment for prior years	(233)	(96)
	Current tax charge	<u>29,467</u>	<u>23,904</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>96,962</u>	<u>83,164</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2002: 30.00%)	<u>29,089</u>	<u>24,949</u>
	Effects of:		
	Depreciation add back	12,361	12,643
	Capital allowances	(11,360)	(12,953)
	Adjustments to previous periods	(233)	(96)
	Other tax adjustments	(390)	(639)
		<u>378</u>	<u>(1,045)</u>
	Current tax charge	<u>29,467</u>	<u>23,904</u>

BOBBYS FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

5 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 October 2002	34,270	55,414	264,811	354,495
Additions	-	9,692	28,630	38,322
Disposals	-	-	(13,405)	(13,405)
At 30 September 2003	34,270	65,106	280,036	379,412
Depreciation				
At 1 October 2002	2,740	43,373	151,617	197,730
On disposals	-	-	(9,164)	(9,164)
Charge for the year	685	4,589	34,441	39,715
At 30 September 2003	3,425	47,962	176,894	228,281
Net book value				
At 30 September 2003	30,845	17,144	103,142	151,131
At 30 September 2002	31,530	12,041	113,194	156,765

6	Stocks	2003 £	2002 £
	Finished goods and goods for resale	44,965	47,446

7	Debtors	2003 £	2002 £
	Trade debtors	61,778	62,264

BOBBYS FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

8	Creditors: amounts falling due within one year	2003	2002
		£	£
	Amounts owed to parent and fellow subsidiary undertakings	7,567	7,567
	Corporation tax	29,700	24,000
	Other taxes and social security costs	16,519	17,110
	Accruals and deferred income	12,086	4,500
		<u>65,872</u>	<u>53,177</u>
9	Pension costs		
	Defined contribution		
		2003	2002
		£	£
	Contributions payable by the company for the year	<u>6,973</u>	<u>7,062</u>
10	Share capital	2003	2002
		£	£
	Authorised		
	10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	Allotted, called up and fully paid		
	10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
11	Statement of movements on profit and loss account		
			Profit and loss account £
	Balance at 1 October 2002		543,525
	Retained profit for the year		<u>67,495</u>
	Balance at 30 September 2003		<u>611,020</u>

BOBBYS FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

12 Reconciliation of movements in shareholders' funds	2003 £	2002 £
Profit for the financial year	67,495	59,260
Opening shareholders' funds	553,525	494,265
	<hr/>	<hr/>
Closing shareholders' funds	621,020	553,525
	<hr/>	<hr/>

13 Contingent liabilities

The company is party to an unlimited multilateral guarantee, dated 16 September 1995, given by all group companies in respect of bank borrowings.

14 Directors' emoluments	2003 £	2002 £
Emoluments for qualifying services	61,666	61,666
	<hr/>	<hr/>

15 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
Management	2	2
Sales	8	8
	<hr/>	<hr/>
	10	10
	<hr/>	<hr/>

Employment costs

	£	£
Wages and salaries	288,698	277,589
Social security costs	28,799	26,538
Other pension costs	6,973	7,062
	<hr/>	<hr/>
	324,470	311,189
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BOBBYS FOODS SOUTH WALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

16 Control

The ultimate parent company is Bobbys Foods Plc, a company registered in England and Wales. Bobbys Foods Plc prepares group financial statements and copies can be obtained from the company's registered office.