

MCKANNA MEATS LTD
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31ST MARCH 1999



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Company No. 1702260

MCKANNA MEATS LTD

COMPANY INFORMATION

Directors

Mr Graham Stanley Morley
Mr Stephen Alfred Ritchie

Secretary

Mr Stephen Alfred Ritchie

Company Number

1702260

Registered Office

Suite D 12th Floor
City Gate House
399 Eastern Avenue
Ilford, Essex
IG2 6LR

Auditors

Niman & Co
Suite D
12th Floor
City Gate House
399 Eastern Avenue, Ilford, Essex
IG2 6LR

MCKANNA MEATS LTD

CONTENTS

	Page
Directors' Report	1 to 2
Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Accounts	6 to 9

The following pages do not form part of the statutory accounts:

Management Profit and Loss Account	10 to 11
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MCKANNA MEATS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 1999

The directors present their report together with the audited accounts for the year ended 31st March 1999.

Principal Activities and Review of Business

The company's principal activity during the year continued to be wholesale and retail butchers.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The directors consider the profit achieved on ordinary activities before taxation is satisfactory.

The directors consider the state of the company's affairs to be satisfactory.

The directors do not recommend a dividend.

Directors

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

	Ordinary Shares	
	31st March 1999	1st April 1998
Mr Graham Stanley Morley	500	500
Mr Stephen Alfred Ritchie	500	500

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these accounts 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 accounts 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 enable them to ensure that the accounts 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.

MCKANNA MEATS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 1999

This report was approved by the board on 23rd February 2000, and signed on its behalf.

Mr Stephen Alfred Ritchie, Secretary
23rd February 2000

S.A. Ritchie

AUDITORS' REPORT TO THE SHAREHOLDERS OF MCKANNA MEATS LTD

We have audited the accounts on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and report our opinion to you.

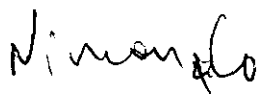
Basis of Opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Niman & Co
Chartered Accountants and Registered Auditors
Suite D
12th Floor
City Gate House
399 Eastern Avenue, Ilford, Essex
IG2 6LR
Date: 23rd February 2000

MCKANNA MEATS LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1999

	Notes	1999 £	1998 £
Turnover	2	641,801	609,98
Cost of Sales		536,066	509,45
Gross Profit		105,735	100,52
Distribution Costs		41,479	37,62
Administrative Expenses		63,724	62,36
Operating Profit	3	532	53
Profit on Ordinary Activities before Taxation		532	53
Tax on profit on ordinary activities	6	74	6
Profit for the Financial Year	12	458	47
Retained Profit Brought Forward		20,796	20,31
Retained Profit Carried Forward		21,254	20,79

All amounts relate to continuing activities.

MCKANNA MEATS LTD

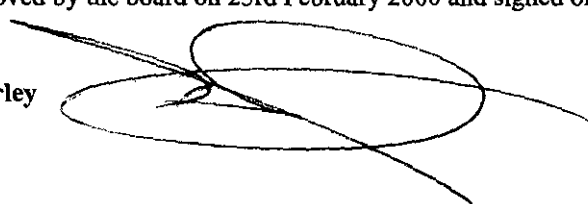
BALANCE SHEET

AS AT 31ST MARCH 1999

	Notes	£	1999 £	1999 £
Fixed Assets				
Tangible assets	7		10,648	10,37
Current Assets				
Stocks	8	4,345		4,640
Debtors	9	17,207		20,870
Cash at bank and in hand		18,298		7,746
		<u>39,850</u>		<u>33,256</u>
Creditors: Amounts Falling Due Within One Year	10	28,244		21,834
Net Current Assets			11,606	11,42
Total Assets Less Current Liabilities			<u>22,254</u>	<u>21,79</u>
Capital and Reserves				
Share capital	11		1,000	1,00
Profit and loss account	12		21,254	20,79
Shareholders' Funds			<u>22,254</u>	<u>21,79</u>

These accounts were approved by the board on 23rd February 2000 and signed on its behalf.

Mr Graham Stanley Morley
Director



MCKANNA MEATS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

1 Accounting Policies

Basis of Accounting

The Accounts 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 has been provided at the following rates in order to write off the assets over their estimated useful lives.

Leasehold properties	10 years Lease
Plant and machinery	10% reducing balance method
Motor vehicles	20% reducing balance method
Fixtures and fittings	10% reducing balance method

Stocks

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

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.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Operating Profit

The operating profit is arrived at after charging or crediting:

	1999
	£
Depreciation of owned assets	1,471
Auditors' remuneration	920
	<hr/>

4 Interest Payable and Similar Charges

1999
£

MCKANNA MEATS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

5 Directors and Employees

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

	1999	1998
	£	£
Wages and salaries	47,205	42,788
Social security costs	1,485	1,485
Other pension costs	6,000	6,000
	<u>54,690</u>	<u>50,273</u>

Directors' emoluments

	1999	1998
	£	£
Emoluments	21,216	21,216
Directors' pension contributions under defined contribution schemes	6,000	6,000
	<u>27,216</u>	<u>27,216</u>

6 Taxation

	1999	1998
	£	£
Based on the profit for the year		
UK corporation tax at 21% FY 1998 & FY 1997	74	74
	<u>74</u>	<u>74</u>

MCKANNA MEATS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

7 Tangible Fixed Assets

	Short Leasehold Land and Buildings	Plant and Machinery	Motor Vehicles	Fixtures and Fittings	Tot
Cost	£	£	£	£	
At 1st April 1998	3,635	4,125	5,000	9,262	22,02
Additions	-	1,745	-	-	1,74
At 31st March 1999	3,635	5,870	5,000	9,262	23,76
Depreciation					
At 1st April 1998	1,696	505	4,109	5,338	11,64
Charge for the year	364	537	178	392	1,47
At 31st March 1999	2,060	1,042	4,287	5,730	13,11
Net Book Value					
At 31st March 1999	1,575	4,828	713	3,532	10,64
<i>At 31st March 1998</i>	<i>1,939</i>	<i>3,620</i>	<i>891</i>	<i>3,924</i>	<i>10,37</i>

8 Stocks	1999	199
	£	
Goods for resale	4,345	4,6
	4,345	4,6

9 Debtors	1999	19
	£	
Trade debtors	16,100	16,
Other debtors	1,107	1,
Prepayments and accrued income	-	3,
	17,207	20,

10 Creditors: Amounts Falling Due Within One Year	1999	1
	£	
Trade creditors	23,665	18
Corporation tax	74	
Other taxes and social security	945	
Accruals and deferred income	3,560	
	28,244	2

MCKANNA MEATS LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1999

11	Share Capital	1999 £	1998 £
	Authorised Equity Shares		
	- Ordinary shares of £1 each	1,000	1,000
	Allotted Equity Shares		
	- Allotted, called up and fully paid ordinary shares of £1 each	1,000	1,000

12 Reserves

At 1st April 1996	20,314
Profit for the year	47
At 1st April 1998	20,791
Profit for the year	47
At 31st March 1999	21,215

13 Pension Scheme

The company operates a defined contribution pension scheme for the benefit of the directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total contributions paid in the year amounted to £6,000 (1998 £6,000).