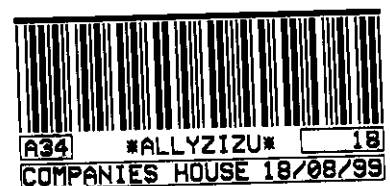


CADWALADER (ICE CREAM) LIMITED
ABBREVIATED FINANCIAL STATEMENTS

27 DECEMBER 1998

Registered number: 1808766

J T THOMAS & CO
CHARTERED ACCOUNTANTS



CADWALADER (ICE CREAM) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the 52 weeks ended 27 December 1998

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CADWALADER (ICE CREAM) LIMITED

**Auditors' report to
Cadwalader (Ice Cream) Limited
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 4, together with the financial statements of the company for the 52 weeks ended 27 December 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

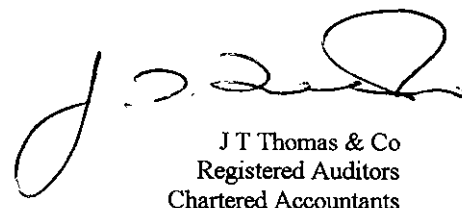
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with 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 the 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 does 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 sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.



J T Thomas & Co
Registered Auditors
Chartered Accountants

16 April 1999

CADWALADER (ICE CREAM) LIMITED


ABBREVIATED BALANCE SHEET

at 27 December 1998

	Note	£	1998 £	£	1997 £
Fixed assets					
Tangible assets	2		830,221		744,973
Current assets					
Stocks		32,897		29,666	
Debtors		26,777		33,151	
Cash at bank and in hand		1,690		1,360	
			61,364		64,177
Creditors: amounts falling due within one year			(354,058)		(303,944)
Net current liabilities			(292,694)		(239,767)
Total assets less current liabilities			537,527		505,206
Provision for liabilities and charges			(50,285)		(42,706)
			487,242		462,500
Capital and reserves					
Called up share capital	3		90,000		90,000
Revaluation reserve			91,518		91,518
Profit and loss account			305,724		280,982
Total shareholders' funds			487,242		462,500

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 4 were approved by the board of directors on 23rd March 1999 and signed on its behalf by:


 D H Andrews
 Chairman

CADWALADER (ICE CREAM) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

27 December 1998

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Tangible fixed assets

The freehold properties are stated at 1992 valuation with subsequent additions at cost. No depreciation is provided on freehold properties as it is company policy to maintain properties to modern standards. In all other respects the company complies with the Statement of Standard Accounting Practice No 12 relating to depreciation.

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value on a straight line basis over their estimated useful lives as follows:

Leasehold land & buildings	over the terms of the lease
Plant and machinery	12.5%
Motor vehicles	25%

Stocks

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

Cost comprises the direct cost of production and the attributable proportion of all overheads appropriate to location and condition. Net realisable value is the estimated selling price reduced by all costs of completion, marketing, selling and distribution.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions costs

The company operates a defined contribution scheme providing benefits for employees additional to those for the state. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Operating leases

Leasing charges in respect of operating leases are recognised in the profit and loss account on a straight line basis over the terms of the lease.

Grants

Capital grants are credited to deferred grants and are amortised in the profit and loss account over the estimated lives of the qualifying assets. Revenue grants are credited in the profit and loss account in the period in which the relevant expenditure is incurred.

CADWALADER (ICE CREAM) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

27 December 1998

2 Fixed assets

	Tangible fixed assets £
Cost or valuation	
29 December 1997	972,442
Additions	128,648
Disposals	(8,865)
27 December 1998	<u>1,092,225</u>
Depreciation	
29 December 1997	227,469
Charge for the 52 weeks	43,400
27 December 1998	<u>270,869</u>
Net book amount	
27 December 1998	<u>830,221</u>
29 December 1997	<u>744,973</u>

On an historical cost basis the freehold land and buildings would be included at a cost of £445,716 (1997-£426,403)

3 Called up share capital

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>
Allotted called up and fully paid				
Ordinary shares	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>

4. The bank overdraft is secured by a first fixed charge over freehold property of the company.