

KEY LEKKERLAND LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2003



BLYTHENS

Chartered Accountants  
Nottingham

**KEY LEKKERLAND LIMITED**

**COMPANY INFORMATION**

**FOR THE YEAR ENDED**

**31ST DECEMBER 2003**

**Directors**

A J Symonds  
L Furness  
R S M Hannah  
P Tonks (Resigned June 2003)  
A Overton (Resigned June 2003)  
J R C Ward (Appointed April 2003)  
J M Liptrot (Appointed April 2003)  
T Wallis (Resigned February 2003)

**Secretary**

A Deeming

**Registered Office**

Haydn House  
309-329 Haydn Road  
Sherwood  
Nottingham  
NG5 1HG

**Index to the Financial Statements**

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# **KEY LEKKERLAND LIMITED**

## **DIRECTORS' REPORT**

The directors submit their report and the company's financial statements for the year ended 31st December 2003.

### **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 a 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.

### **RESULTS AND DIVIDEND**

The results for the year are attached. The directors do not recommend the payment of a dividend. The retained profit for the year transferred to reserves is £438 (2002 : £12,567).

### **BUSINESS REVIEW**

The company's principal activity during the year continued to be the provision of distribution services for the tobacco, confectionery and grocery wholesaling trades and symbol group retailing.

The company has continued with the commissioning of computer software to deal with the centralised processing of data.

### **DIRECTORS**

The directors who served during the year were:

A J Symonds	(Chairman)
L Furness	
R S M Hannah	
T Wallis	(Resigned February 2003)
P Tonks	(Resigned June 2003)
A Overton	(Resigned June 2003)
J M Liptrot	(Appointed April 2003)
J R C Ward	(Appointed April 2003)

None of the directors hold any shares in the company.

### **DONATIONS**

Charitable donations amounting to £378 were paid during the year.

### **AUDITORS**

Blythens, Chartered Accountants, are willing to remain in office as auditors and a resolution for their re-appointment will be proposed at the Annual General Meeting.

Signed on behalf of the Board



A DEEMING  
Secretary

Date: 13<sup>th</sup> July 2004

**AUDITORS' REPORT**  
**TO KEY LEKKERLAND LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 3 to 10, together with the financial statements of the company for the year ended 31st December 2003, prepared under Section 226 of the Companies Act, 1985.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with Section 246A (3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**BASIS OF AUDIT 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 accounts and that the abbreviated accounts 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 financial statements.

**OPINION**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 31st December 2003, and the abbreviated accounts on pages 3 to 10 are properly prepared in accordance with that provision.



**BLYTHENS**  
Registered Auditors  
Chartered Accountants

Haydn House  
309-329 Haydn Road  
Sherwood  
Nottingham  
NG5 1HG

Date:

13th July 2004

**KEY LEKKERLAND LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2003**

	<b><u>Note</u></b>	<b><u>2003</u></b> <b><u>£</u></b>	<b><u>2002</u></b> <b><u>£</u></b>
<b><u>GROSS PROFIT</u></b>		169,281	251,281
Administration Expenses		186,022	268,801
<b><u>OPERATING (LOSS)</u></b>	2	(16,741)	(17,520)
Interest Receivable and Similar Income	4	19,412	35,167
<b><u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u></b>		2,671	17,647
Taxation on Profit and Ordinary Activities	5	2,233	5,080
<b><u>PROFIT FOR THE YEAR</u></b>		438	12,567
Profit brought forward		286,165	273,598
<b><u>RETAINED PROFIT CARRIED FORWARD</u></b>		286,603	286,165

The only recognised gain or loss during the year was the profit of £438 (2002 : profit £12,567).

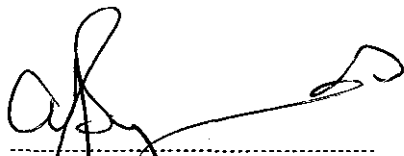
There were no discontinued activities or acquisitions during the year.

**KEY LEKKERLAND LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**AS AT 31ST DECEMBER 2003**

	Note	£	2003 £	2002 £
<b><u>FIXED ASSETS</u></b>				
Tangible Assets	6		8,051	32,124
Investments	7		16,037	19,039
			<hr/>	<hr/>
			24,088	51,163
<b><u>CURRENT ASSETS</u></b>				
Debtors	8	9,015,560		9,682,136
Cash at Bank and in Hand		1,643,398		964,930
		<hr/>		<hr/>
		10,658,958		10,647,066
<b><u>CREDITORS</u></b>				
Amounts falling due within one year	9	10,394,643		10,410,264
		<hr/>		<hr/>
<b><u>NET CURRENT ASSETS</u></b>			264,315	236,802
			<hr/>	<hr/>
<b><u>NET ASSETS</u></b>			288,403	287,965
			<hr/>	<hr/>
<b><u>CAPITAL AND RESERVES</u></b>				
Called Up Share Capital	10		1,800	1,800
Profit and Loss Account			286,603	286,165
			<hr/>	<hr/>
<b><u>SHAREHOLDERS' FUNDS</u></b>				
Equity Interests	12		288,403	287,965
			<hr/>	<hr/>

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

The financial statements were approved by the Board of Directors on 13<sup>th</sup> July 2004 and signed on its behalf by:

  
 -----  
**A J SYMONDS : Director**

**KEY LEKKERLAND LIMITED**  
**ABBREVIATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2003**

	Note	2003 £	2002 £
<b><u>RECONCILIATION OF OPERATING (LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</u></b>			
Operating (Loss)		(16,741)	(17,520)
Depreciation Charges		27,610	41,226
(Profit) on Sale of Fixed Assets		(2,931)	(5,257)
Decrease in Debtors		666,576	13,208,345
(Decrease) in Creditors		(13,121)	(13,797,645)
<b><u>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</u></b>		<b>661,393</b>	<b>(570,851)</b>
<b><u>CASH FLOW STATEMENT</u></b>			
Net Inflow/(Outflow) from Operating Activities		661,393	(570,851)
Returns on Investments and Servicing of Finance	14	19,412	35,167
Taxation		(4,733)	(3,405)
Capital Expenditure	15	2,396	4,180
Cash Inflow/(Outflow) before use of Liquid Resources and Financing		678,468	(534,909)
Financing – (Decrease) in Debt	16	-	(2,125)
<b><u>INCREASE/(DECREASE) IN CASH DURING THE YEAR</u></b>	16	<b>678,468</b>	<b>(537,034)</b>
<b><u>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS</u></b>			
Increase/(Decrease) in Cash during the Year	16	678,468	(537,034)
Cash Outflow from decrease in Debt and Lease Financing	16	-	2,125
Change in Net Funds resulting from Cash Flow		678,468	(534,909)
Movement in Net Funds during the Year		678,468	(534,909)
Net Funds at 1st January 2003		964,930	1,499,839
<b><u>NET FUNDS AT 31ST DECEMBER 2003</u></b>	16	<b>1,643,398</b>	<b>964,930</b>

**KEY LEKKERLAND LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2003**

**1. ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below and remain unchanged from the previous period and have been consistently applied within the same financial statements.

**(a) Accounting Convention**

The financial statements are prepared under the historical cost convention.

**(b) Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life as follows:

Office Equipment	25%	Straight Line
Motor Vehicles	33.33%	Straight Line
Computer Equipment	25% - 33.33%	Straight Line

**(c) Leasing**

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**(d) Deferred Taxation**

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. It is calculated at the enacted rates at which it is estimated that the tax will be payable. Deferred tax liabilities are not discounted.

**(e) Trade Debtors**

Trade Debtors include amounts invoiced from the company on behalf of member companies. The liability to member companies for monies receivable on their behalf from trade debtors is included in creditors under the heading of 'Amounts Owed to Members'.

**2. OPERATING (LOSS)**

This is stated after charging/(crediting) :

	<b><u>2003</u></b>	<b><u>2002</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Depreciation of Owned Assets	27,610	41,226
Directors' Remuneration	95,125	94,378
Contributions to director's Personal Pension Plan	2,250	6,417
Auditors' Remuneration	6,500	6,000
Operating Leases	24,500	19,500
Profit on Foreign Currency translations	-	(108)
	<b><u>=====</u></b>	<b><u>=====</u></b>



**KEY LEKKERLAND LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2003**

(Continued)

	<u>2003</u>	<u>2002</u>
	£	£
<b>3. STAFF COSTS</b>		
Wages and Salaries	379,401	442,854
Social Security Costs	33,324	41,859
Pension Costs	13,806	20,266
	<hr/>	<hr/>
	426,531	504,979
	<hr/>	<hr/>
The average number of employees during the year was:		
	<b>No.</b>	<b>No.</b>
Administration	14	16
	<hr/>	<hr/>
<b>4. INTEREST RECEIVABLE AND SIMILAR INCOME</b>		
	<u>2003</u>	<u>2002</u>
	£	£
Bank Interest Receivable	19,412	35,167
	<hr/>	<hr/>
<b>5. TAXATION</b>		
<b><u>Tax on Profit on Ordinary Activities</u></b>		
	<u>2003</u>	<u>2002</u>
	£	£
Based on the profit for the year:		
Corporation Tax	2,500	5,000
Adjustment in respect of previous year	(267)	80
	<hr/>	<hr/>
	2,233	5,080
	<hr/>	<hr/>
<b><u>Tax Reconciliation:</u></b>		
The tax assessed for the year is higher (2002 : lower) than the standard rate of Corporation Tax in the UK of 30%. The differences are explained below:		
	<u>2003</u>	<u>2002</u>
	£	£
Profit on Ordinary Activities before tax	2,671	17,647
	<hr/>	<hr/>
Profit on Ordinary Activities multiplied by standard rate of Corporation Tax in UK of 30% (2002 : 30%)	801	5,294
Expenses not deductible for tax purposes	1,881	1,896
Depreciation in excess of Capital Allowances	519	1,552
Adjustments for difference between standard and effective rates	(701)	(3,742)
Adjustment in respect of previous year	(267)	80
	<hr/>	<hr/>
Current Tax charge for year	2,233	5,080
	<hr/>	<hr/>

**KEY LEKKERLAND LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2003**

(Continued)

**6. TANGIBLE FIXED ASSETS**

	<b>Computer Equipment £</b>	<b>Office Equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
As at 1st January 2003	167,841	41,953	55,284	265,078
Additions	3,537	-	-	3,537
Disposals	(26,619)	(5,985)	(11,112)	(43,716)
As at 31st December 2003	144,759	35,968	44,172	224,899
<b>Depreciation</b>				
As at 1st January 2003	154,921	36,050	41,983	232,954
Charge for the Year	11,293	4,610	11,707	27,610
On Disposals	(26,619)	(5,985)	(11,112)	(43,716)
As at 31st December 2003	139,595	34,675	42,578	216,848
<b>Net Book Value</b>				
As at 31st December 2003	5,164	1,293	1,594	8,051
As at 31st December 2002	12,920	5,903	13,301	32,124

**7. INVESTMENTS**

<b>Cost</b>	<b>2003 £</b>	<b>2002 £</b>
Shares in Lekkerland International Gmbh		
As at 1st January	19,037	19,037
Disposals	3,002	-
As at 31st December	16,035	19,037
Shares in Lekkerland (UK) Ltd	2	2
	16,037	19,039

The company owns 8.37% of the issued share capital of Lekkerland International Gmbh and it owns the whole of the issued share capital of Lekkerland (UK) Limited, a dormant company which has net assets of £2.

**KEY LEKKERLAND LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER 2003**

(Continued)

**8. DEBTORS****Amounts falling due within one year**

	<u>2003</u> £	<u>2002</u> £
Trade Debtors	6,957,843	7,458,548
Prepayments and Accrued Income	27,352	27,123
Other Debtors	2,030,365	2,196,465
	<hr/> 9,015,560	<hr/> 9,682,136
<b>Other Debtors:</b>		
Members for Computer Software	34,580	16,947
Marketing	1,995,785	2,178,893
Other Debtors	-	625
	<hr/> 2,030,365	<hr/> 2,196,465
	<hr/> <hr/>	<hr/> <hr/>

**9. CREDITORS****Amounts falling due within one year**

	<u>2003</u> £	<u>2002</u> £
Trade Creditors	4,594,390	3,426,559
Amounts owed to Members	3,413,735	4,649,407
Other taxes and Social Security costs	67,966	24,457
Accruals and Deferred Income	50,648	36,029
Corporation Tax	2,500	5,000
Other Creditors	2,265,404	2,268,812
	<hr/> 10,394,643	<hr/> 10,410,264
<b>Other Creditors:</b>		
Marketing	2,262,404	2,265,812
Members' loans	3,000	3,000
	<hr/> 2,265,404	<hr/> 2,268,812
	<hr/> <hr/>	<hr/> <hr/>

**10. CALLED UP SHARE CAPITAL**

	<u>2003</u> £	<u>2002</u> £
<b>Authorised:</b>		
20 Ordinary Shares of £100 each	2,000	2,000
	<hr/>	<hr/>
<b>Allotted, Issued and Fully Paid:</b>		
18 Ordinary Shares of £100 each	1,800	1,800
	<hr/>	<hr/>

There have been no changes during the year.

**KEY LEKKERLAND LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2003**

(Continued)

**11. LEASING COMMITMENTS**

At 31st December 2003 the company had annual commitments under non-cancellable operating leases as detailed below:

	<u>Land and Buildings 2003 £</u>	<u>Land and Buildings 2002 £</u>
<b>Operating leases which expire:</b>		
Within one year	-	-
Within two to five years	24,500	19,500
After more than five years	-	-
	<hr/>	<hr/>
	24,500	19,500
	<hr/>	<hr/>

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

	<u>2003 £</u>	<u>2002 £</u>
Profit for the financial year	438	12,567
Opening Shareholders' Funds	287,965	275,398
	<hr/>	<hr/>
Closing Shareholders' Funds	288,403	287,965
	<hr/>	<hr/>

**13. RELATED PARTY DISCLOSURE**

All the members are party to the 'co-operative' buying power of the company and receive rewards dependent upon their activity with the suppliers.

**14. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

	<u>2003 £</u>	<u>2002 £</u>
Bank Interest received	19,412	35,167
	<hr/>	<hr/>

**15. CAPITAL EXPENDITURE**

	<u>2003 £</u>	<u>2002 £</u>
Payments to acquire Tangible Fixed Assets	(3,537)	(5,756)
Receipts from sales of Tangible Fixed Assets	2,931	9,936
Receipt from sale of Fixed Asset Investments	3,002	-
	<hr/>	<hr/>
	2,396	4,180
	<hr/>	<hr/>

**16. ANALYSIS OF NET FUNDS**

	<u>At 1.1.2003 £</u>	<u>Cashflow £</u>	<u>Non-Cash Changes £</u>	<u>At 31.12.2003 £</u>
Cash at Bank	964,930	678,468	-	1,643,398
Debt – due within one year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	964,930	678,468	-	1,643,398
	<hr/>	<hr/>	<hr/>	<hr/>