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FOREMORE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005

Company Registration Number 2001625

Tenon Limited

The Old Mill
Park Road
Shepton Mallet
Somerset
BA4 5BS



FOREMORE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

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FOREMORE LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 MARCH 2005

The director	P B Hoddinott
Company secretary	J Hoddinott
Business address	Stonemead Farm Stocks Lane North Wootton Shepton Mallet Somerset BA4 4HB
Registered office	The Old Mill Park Road Shepton Mallet Somerset BA4 5BS
Accountants	Tenon Limited The Old Mill Park Road Shepton Mallet Somerset BA4 5BS
Bankers	National Westminster Bank plc 7 High Street Wells Somerset BA5 2AD

FOREMORE LIMITED
THE DIRECTOR'S REPORT
YEAR ENDED 31 MARCH 2005

The director presents his report and the unaudited financial statements of the company for the year ended 31 March 2005.

Principal activities

The principal activity of the company during the year was that of farming.

The director and his interests in the shares of the company

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 March 2005	At 1 April 2004
P B Hoddinott	<u>1</u>	<u>1</u>


The share is held as nominee of the parent company, Worminster Farms limited. The interest of P B Hoddinott in the parent company is disclosed in the director's report of that company.

Mr T C Baines, an employee of Tenon, is a trustee of a trust holding shares in the parent company, Worminster Farms Limited. Mr T C Baines has no beneficial interest in the trust. Tenon undertakes accountancy, taxation and other non-audit services on behalf of the company.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the director


J Hoddinott
Company Secretary

Approved by the director on ...02/12/2005...

FOREMORE LIMITED
ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE UNAUDITED
FINANCIAL STATEMENTS OF FOREMORE LIMITED
YEAR ENDED 31 MARCH 2005

In accordance with the engagement letter dated 3 September 2004, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Director, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Director that we have done so, and state those matters that we have agreed to state to him in this 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 Director, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 March 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Tenon Limited
The Old Mill
Park Road
Shepton Mallet
Somerset
BA4 5BS

Date:- 02/12/2005

FOREMORE LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2005

	Note	2005 £	2004 £
Turnover		2,321,082	1,790,413
Cost of sales		(1,973,414)	(1,522,122)
Gross profit		<u>347,668</u>	<u>268,291</u>
Administrative expenses		(291,731)	(285,639)
Other operating income	2	12,622	4,448
Operating profit/(loss)	3	<u>68,559</u>	<u>(12,900)</u>
(Loss)/profit on disposal of fixed assets		(269)	290,204
		<u>68,290</u>	<u>277,304</u>
Interest receivable		32	2,112
Interest payable and similar charges		(68,842)	(66,925)
(Loss)/profit on ordinary activities before taxation		<u>(520)</u>	<u>212,491</u>
Tax on (loss)/profit on ordinary activities	5	-	-
(Loss)/retained profit for the financial year		<u>(520)</u>	<u>212,491</u>

The notes on pages 7 to 13 form part of these financial statements.

FOREMORE LIMITED

BALANCE SHEET

31 MARCH 2005

	Note	2005 £	£	2004 £	£
Fixed assets					
Intangible assets	6		103,908		115,454
Tangible assets	7		1,235,937		1,258,669
Investments	8		130,955		131,355
			<u>1,470,800</u>		<u>1,505,478</u>
Current assets					
Stocks		130,460		85,274	
Debtors	9	272,064		22,685	
Cash at bank		<u>32,864</u>		<u>-</u>	
		435,388		107,959	
Creditors: Amounts falling due within one year	10	<u>(804,960)</u>		<u>(504,025)</u>	
Net current liabilities			(369,572)		(396,066)
Total assets less current liabilities			<u>1,101,228</u>		<u>1,109,412</u>
Creditors: Amounts falling due after more than one year	11		(1,135,266)		(1,142,930)
			<u>(34,038)</u>		<u>(33,518)</u>

The Balance sheet continues on the following page.
The notes on pages 7 to 13 form part of these financial statements.

FOREMORE LIMITED
BALANCE SHEET *(continued)*

31 MARCH 2005

	Note	2005 £	2004 £
Capital and reserves			
Called-up share capital	14	100	100
Profit and loss account	15	(34,138)	(33,618)
Shareholder's funds		<u>(34,038)</u>	<u>(33,518)</u>

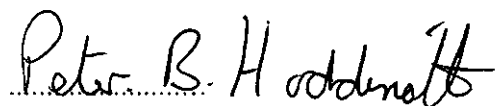
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved and signed by the director on 02/12/2005.



P B Hoddinott

The notes on pages 7 to 13 form part of these financial statements.

FOREMORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

1. Accounting policies (continued)

Herd

The livestock herd is stated at initial cost under the herd basis. No depreciation is provided unless the director considers there has been a permanent diminution in value. This policy is adopted in order to give a true and fair view.

Government grants

Government grants on capital expenditure are credited to a deferral account and are released to revenue over the expected useful life of the relevant asset by equal annual instalments. Grants of a revenue nature are credited to income in the period to which they relate.

2. Other operating income

	2005	2004
	£	£
Other operating income	<u>12,622</u>	<u>4,448</u>

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	2005	2004
	£	£
Amortisation	11,546	11,546
Depreciation of owned fixed assets	90,336	94,370
Depreciation of assets held under hire purchase agreements	<u>5,784</u>	<u>7,408</u>

4. Director's emoluments

The director's aggregate emoluments in respect of qualifying services were:

	2005	2004
	£	£
Aggregate emoluments	<u>15,195</u>	<u>16,688</u>

5. Taxation on ordinary activities

The company had corporation tax losses carried forward at the year end of approximately £356,000 (2004: £356,000) for utilisation in future periods.

FOREMORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

6. Intangible fixed assets

	Milk quota £
Cost	
At 1 April 2004 and 31 March 2005	<u>150,627</u>
Amortisation	
At 1 April 2004	35,173
Charge for the year	<u>11,546</u>
At 31 March 2005	<u>46,719</u>
Net book value	
At 31 March 2005	<u>103,908</u>
At 31 March 2004	<u>115,454</u>

7. Tangible fixed assets

	Freehold land & buildings £	Plant & machinery £	Broiler units £	Motor vehicles £	Total £
Cost					
At 1 April 2004	321,376	1,117,172	438,472	98,974	1,975,994
Additions	–	60,487	6,170	7,500	74,157
Disposals	–	(10,304)	–	–	(10,304)
At 31 March 2005	<u>321,376</u>	<u>1,167,355</u>	<u>444,642</u>	<u>106,474</u>	<u>2,039,847</u>
Depreciation					
At 1 April 2004	8,062	598,289	42,182	68,792	717,325
Charge for the year	5,735	66,585	16,099	7,701	96,120
On disposals	–	(9,535)	–	–	(9,535)
At 31 March 2005	<u>13,797</u>	<u>655,339</u>	<u>58,281</u>	<u>76,493</u>	<u>803,910</u>
Net book value					
At 31 March 2005	<u>307,579</u>	<u>512,016</u>	<u>386,361</u>	<u>29,981</u>	<u>1,235,937</u>
At 31 March 2004	<u>313,314</u>	<u>518,883</u>	<u>396,290</u>	<u>30,182</u>	<u>1,258,669</u>

Included in Freehold Land & Buildings is Freehold Land with a cost of £180,000 (2004 - £180,000) which is not being depreciated.

Hire purchase agreements

Included within the net book value of £1,235,937 is £44,511 (2004 - £28,295) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £5,784 (2004 - £7,408).

FOREMORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

8. Investments

	Dairy Herd £	Investments other than loans £	Total £
Cost			
At 1 April 2004	127,147	4,208	131,355
Additions	26,400	–	26,400
Disposals	(26,800)	–	(26,800)
At 31 March 2005	<u>126,747</u>	<u>4,208</u>	<u>130,955</u>
Net book value			
At 31 March 2005	<u>126,747</u>	<u>4,208</u>	<u>130,955</u>
At 31 March 2004	<u>127,147</u>	<u>4,208</u>	<u>131,355</u>

Listed investments

Listed investments having a net book value of £4,208 (2004 - £4,208) are held by the company and had a market value of £43,331 at the end of the year (2004 - £35,202).

9. Debtors

	2005 £	2004 £
Trade debtors	249,554	4,555
Directors loan account	–	1,508
VAT recoverable	22,510	16,622
	<u>272,064</u>	<u>22,685</u>

Details of the directors' loans are shown in the related parties note.

10. Creditors: Amounts falling due within one year

	2005 £	2004 £
Bank loans and overdrafts	210,405	52,082
Trade creditors	192,127	46,060
Amounts owed to group undertakings	348,094	348,094
Other creditors including taxation:		
Hire purchase agreements	11,160	10,200
Directors loan account	7,701	–
Other creditors	14,772	19,440
Accruals and deferred income	20,701	28,149
	<u>804,960</u>	<u>504,025</u>

FOREMORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

10. Creditors: Amounts falling due within one year (*continued*)

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2005	2004
	£	£
Bank loans and overdrafts	156,676	52,082
Hire purchase agreements	11,160	10,200
Accruals and deferred income	907	1,067
	<u>168,743</u>	<u>63,349</u>

11. Creditors: Amounts falling due after more than one year

	2005	2004
	£	£
Bank loans and overdrafts	953,327	967,754
Hire purchase agreements	17,390	8,750
Grant	5,138	6,045
M & O Hoddinott Loan	72,780	63,036
Other creditors	86,631	97,345
	<u>1,135,266</u>	<u>1,142,930</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2005	2004
	£	£
Bank loans and overdrafts	953,328	967,754
Hire purchase agreements	17,390	8,750
Accruals and deferred income	5,138	6,045
	<u>975,856</u>	<u>982,549</u>

Included within creditors falling due after more than one year is an amount of £759,107 (2004 - £782,652) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

12. Deferred taxation

The elements of deferred taxation, which result in a nil balance at the end of the year, together with details of other amounts not provided for, are as follows:

	2005		2004	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	53,769	—	27,840	—
Tax losses available	(53,769)	(53,030)	(27,840)	(45,428)
	<u>—</u>	<u>(53,030)</u>	<u>—</u>	<u>(45,428)</u>

FOREMORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

13. Related party transactions

The company is the wholly owned subsidiary of the parent company, Worminster Farms Limited. The parent company is controlled by the director, P B Hoddinott, by virtue of his majority holding of the issued share capital of that company.

There is a balance owed to the parent company of £348,094 (2004 - £348,094). No interest is payable on this balance and there are no fixed repayment terms.

The director P B Hoddinott maintains a loan account with the company. As at the balance sheet date the loan account had a credit balance of £(7,701) (2004 £1,508). The movement on the account represents net monies withdrawn from the company by the director in the year and a bonus paid to the director during the year. The loan is interest free and there are no fixed repayment terms.

There is also a loan of £47,500 (2004 £47,500) from Mrs J Hoddinott, the company secretary and wife of the director P B Hoddinott at the balance sheet date. There is no fixed date for repayment of this loan although the loan will not be recalled for at least one year from the balance sheet date. This loan carries interest at a rate of 6% per annum and interest of £3,750 (2004 £3,750) arose in the year on the loan.

During the year the company entered into a contract rearing programme with Stonemead Farm, a sole trade business run by the director P B Hoddinott. A total of £21,560 (2004 £21,455) was paid for this contract rearing service and £6,298 (2004 £360) was received for feed and straw supplied. There were no amounts outstanding at the balance sheet date.

During the year the company was advanced a further loan of £11,500 from Messrs M & O Hoddinott, sons of the director P B Hoddinott. The balance outstanding at the year end is £72,780. This loan is unsecured, interest free and has no fixed repayment date, although the loan will not be recalled for at least one year from the balance sheet date.

14. Share capital

Authorised share capital:

	2005 £	2004 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

15. Profit and loss account

	2005 £	2004 £
Balance brought forward	(33,618)	(246,109)
(Accumulated loss)/retained profit for the financial year	<u>(520)</u>	<u>212,491</u>
Balance carried forward	<u>(34,138)</u>	<u>(33,618)</u>

FOREMORE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

16. Net liabilities

The company has net liabilities of £34,038 (2004 £33,518) at the balance sheet date. In the opinion of the director the company remains a going concern, although it is reliant on the support of the bank in the form of loans and overdrafts. It is the director's view that the support of the bank will continue for at least the next 12 months on the basis that all loans and overdrafts are adequately secured on the assets of the company. In the director's opinion, this view is supported by the fact that the estimated disposal value of the assets held, particularly freehold land, is in excess of the carrying value.

17. Ultimate parent company

The company is a subsidiary of Worminster Farms Limited, a company registered in England, which is also the ultimate parent undertaking. The financial statements of the holding company are retained at this company's registered office.