

Cold Higham Properties Limited

**Financial statements for the period ended 30 September 1997
together with directors' and auditors' reports**

Registered number: 3272572



Cold Higham Properties Limited

Directors' report

for the 11 months ended 30 September 1997

Financial statements

The directors present their report and financial statements for the 11 months ended 30 September 1997.

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 affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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.

Principle activity

The principal activity of the company in the period under review was the investment in and letting of property. The company was incorporated on 1 November 1996 and commenced trading on 5 February 1997.

Results and dividends

The loss for the period after taxation amounted to £8,733. The directors do not recommend the payment of a dividend.

Directors and their interests

The directors of the company during the period and, for those who are directors at the end of the period, their interest in the shares of the company at the date of appointment and end of the period are as follows:-

	<i>Date of appointment</i>	<i>30 September 1997</i>
HP Nominees Limited (appointed 01.11.96, resigned 06.01.97)		
R L Randall (appointed 06.01.97)	1	5,032
W J Parker	-	2,510
D R Brady	-	500
G E Shouler	-	1,458
P Firth	-	500

Cold Higham Properties Limited

Directors' report

for the 11 months ended 30 September 1997 (continued)

W J Parker's interest is effected through W & J Parker Limited, of which he is a shareholder and director.

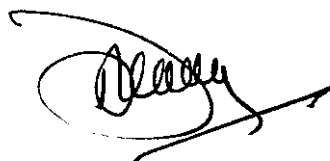
P Firth's interest is effected through Deedale Foods Limited, of which he is a shareholder and director.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Barnes Menzies French Limited be reappointed auditors will be put to the Annual General Meeting.

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

By order of the Board



D R Brady F.C.A.
Secretary

The Old Rectory
Cold Higham
Towcester
Northants
NN12 8LR

27 July 1998

Cold Higham Properties Limited

Auditors' report

To the Members of Cold Higham Properties Limited:

We have audited the accounts on pages 4 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention.

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 statements and to 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 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 accounts give a true and fair view of the state of the company's affairs as at 30 September 1997 and of its loss for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Barnes Menzies French Limited

Barnes Menzies French Limited
Chartered Accountants and Registered Auditors
Milton Keynes

28 July 1998

Cold Higham Properties Limited

Profit and loss account

for the 11 months ended 30 September 1997

	Notes	1997 £
Turnover	2	28,781
Cost of sales		(1,870)
		<hr/>
Gross profit		26,911
Administrative expenses		(7,817)
		<hr/>
Operating loss	3	19,094
Interest receivable and similar income		41,434
Interest payable and similar charges		(69,261)
		<hr/>
Loss on ordinary activities before taxation		(8,733)
Taxation	5	-
		<hr/>
Retained loss for the financial period		(8,733)
Balance brought forward		-
		<hr/>
Balance carried forward		(8,733)
		<hr/> <hr/>

The Company has no recognised gains or losses other than those included in the results above.

Cold Higham Properties Limited

Balance Sheet

for the 11 months ended 30 September 1997

	Notes	1997 £
Fixed assets		
Tangible assets	6	1,312,959
		<hr/>
Current assets		
Debtors	7	546,699
Cash at bank and in hand		192
		<hr/>
		546,891
Creditors: Amounts falling due within one year	8	(1,858,583)
		<hr/>
Net current liabilities		(1,311,692)
		<hr/>
Net assets		1,267
		<hr/> <hr/>
Capital and reserves		
Called up share capital	9	10,000
Profit and loss account		(8,733)
		<hr/>
Shareholders' funds		1,267
		<hr/> <hr/>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities.

Signed on behalf of the Board



R L Randall
Director

27 July 1998

Cold Higham Properties Limited

Notes to financial statements

for the 11 months ended 30 September 1997

1. Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention.

(a) Turnover

Turnover consists of invoiced sales net of value added tax.

(b) Investment properties

The company's freehold properties are held for long-term investment and accounted for in accordance with SSAP 19. As a result no depreciation is provided against these properties and they are subject to an annual valuation by the directors.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets the directors believe that the policy of not providing depreciation is necessary in order to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than the calculation of systematic annual depreciation.

2. Turnover

Turnover arose wholly within the United Kingdom.

3. Operating loss

Operating loss is stated after charging:

	1997
	£
Auditors' remuneration	750
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4. Directors' remuneration

None of the directors received any emoluments from the Company during the period.

5. Taxation

There is no corporation tax liability in the period.

Cold Higham Properties Limited

Notes to financial statements

for the 11 months ended 30 September 1997 (continued)

6. Tangible fixed assets	<i>Freehold investment properties £</i>
Cost or valuation	
Additions	1,312,959
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At 30 September 1997	1,312,959
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Depreciation	
Charge for the year	-
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At 30 September 1997	-
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Net book value	
At 30 September 1997	1,312,959
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Freehold investment properties are shown at their open market value. They were valued by the directors as at 30 September 1997, at which time the directors considered their value to be not materially different from their original cost.

All properties are held for use under operating leases.

7. Debtors	<i>1997 £</i>
Prepayments & accrued income	12,368
Other debtors	534,331
	<hr/>
	546,699
	<hr/> <hr/>
8. Creditors: Amounts falling due within one year	<i>1997 £</i>
Accruals	46,468
Other creditors	1,812,115
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	1,858,583
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Cold Higham Properties Limited

Notes to financial statements

for the 11 months ended 30 September 1997 (continued)

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

Other creditors includes loans from shareholders which are secured by a fixed and floating charge on assets.

Since the year end the company has taken a loan from NatWest Bank that is secured by first charge against the investment properties.

9. Called up share capital	1997
	£
Ordinary shares of £1 each	
Authorised	10,000
	<hr/>
Allotted, called up and fully paid	10,000
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During the period 10,000 Ordinary £1 Shares were allotted and paid at par to form the capital base of the company.

10. Related party transactions

The directors of the company as disclosed on page 1 of these financial statements are also directors and beneficial shareholders in Randall Parker Food Group Limited and H M Bennett (1971) Limited.

The company has provided Randall Parker Food Group Limited with an interest bearing, repayable on demand, loan during the period. At the balance sheet date the loan account amounted to £504,911 and is included in other debtors.

During the period the company contracted to purchase freehold land and buildings from H M Bennett (1971) Limited on an arms length basis for £940,000. At the balance sheet date this amount was outstanding and has been included within other creditors.

The company's shareholders, and thus directors, have provided loans, interest bearing and repayable on demand, to the company during the period. These are secured by a fixed and floating charge on assets. At the balance sheet date these loans amounted to £872,115 and are included within other creditors.

The company leases two freehold properties to Weddel Swift Limited, a wholly owned subsidiary of Randall Parker Food Group Limited, on an arms length basis. The rents received during the period amounted to £28,781.

11. Control

The company is controlled by R L Randall who holds 50.3% of the issued share capital.