



00251550

COMPANY REGISTRATION NUMBER NI 44985

REA FARMS LTD
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST JANUARY 2006



REA FARMS LTD

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST JANUARY 2006

CONTENTS

PAGES

Abbreviated balance sheet

1 to 2

Notes to the abbreviated accounts

3 to 5

REA FARMS LTD**ABBREVIATED BALANCE SHEET****31ST JANUARY 2006**

| | Note | 2006 | 2005 |
|--|------|----------------|----------------|
| | 2 | £ | £ |
| FIXED ASSETS | | | |
| Intangible assets | | 120,219 | 124,531 |
| Tangible assets | | 145,007 | 122,093 |
| | | <u>265,226</u> | <u>246,624</u> |
| CURRENT ASSETS | | | |
| Stocks | | 88,488 | 90,475 |
| Debtors | | 16,150 | 20,830 |
| | | <u>104,638</u> | <u>111,305</u> |
| CREDITORS: Amounts falling due within one year | | <u>41,348</u> | <u>39,104</u> |
| NET CURRENT ASSETS | | <u>63,290</u> | <u>72,201</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>328,516</u> | <u>318,825</u> |
| CREDITORS: Amounts falling due after more than one year | | 293,422 | 292,356 |
| PROVISIONS FOR LIABILITIES AND CHARGES | | 20,486 | 19,339 |
| NET ASSETS | | <u>14,608</u> | <u>7,130</u> |

The Balance sheet continues on the following page.

REA FARMS LTD**ABBREVIATED BALANCE SHEET** *(continued)***31ST JANUARY 2006**

| | Note | 2006 £ | 2005 £ |
|--------------------------------|------|---------------|--------------|
| CAPITAL AND RESERVES | | | |
| Called-up equity share capital | 3 | 100 | 100 |
| Profit and loss account | | <u>14,508</u> | <u>7,030</u> |
| SHAREHOLDERS' FUNDS | | <u>14,608</u> | <u>7,130</u> |

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies (Northern Ireland) Order 1986 (the Order) relating to the audit of the financial statements for the year by virtue of Article 257A(1), and that no member or members have requested an audit pursuant to Article 257B(2) of the Order.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Article 229 the Order,
- (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 Article 234, and which otherwise comply with the requirements of the Order relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions for small companies under Part VIII of the Companies (Northern Ireland) Order 1986.

These abbreviated accounts were approved by the directors on 21/11/06 and are signed on their behalf by:

Ronald Rea

MR R REA

REA FARMS LTD**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST JANUARY 2006****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Milk quota

Intangible fixed assets which comprise milk quota are stated at cost.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|------------|-----------------------|
| Milk quota | - 10% - straight line |
|------------|-----------------------|

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | |
|-------------------|-----------------------|
| Plant & Machinery | - 10% - straight line |
| Motor Vehicles | - 25% - straight line |

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

REA FARMS LTD**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST JANUARY 2006****1. ACCOUNTING POLICIES** *(continued)***Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. FIXED ASSETS

| | Intangible Assets £ | Tangible Assets £ | Total £ |
|-----------------------------|------------------------------------|----------------------------------|-----------------------|
| COST | | | |
| At 1st February 2005 | 127,724 | 148,965 | 276,689 |
| Additions | 9,400 | 43,208 | 52,608 |
| At 31st January 2006 | <u>137,124</u> | <u>192,173</u> | <u>329,297</u> |
| DEPRECIATION | | | |
| At 1st February 2005 | 3,193 | 26,872 | 30,065 |
| Charge for year | 13,712 | 20,294 | 34,006 |
| At 31st January 2006 | <u>16,905</u> | <u>47,166</u> | <u>64,071</u> |
| NET BOOK VALUE | | | |
| At 31st January 2006 | <u>120,219</u> | <u>145,007</u> | <u>265,226</u> |
| At 31st January 2005 | <u>124,531</u> | <u>122,093</u> | <u>246,624</u> |

REA FARMS LTD**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST JANUARY 2006****3. SHARE CAPITAL****Authorised share capital:**

| | 2006 | 2005 |
|--------------------------------------|-------------------------|-------------------------|
| | £ | £ |
| 1,000,000 Ordinary shares of £1 each | <u>1,000,000</u> | <u>1,000,000</u> |

Allotted, called up and fully paid:

| | 2006 | | 2005 | |
|----------------------------|------------|------------|------------|------------|
| | No | £ | No | £ |
| Ordinary shares of £1 each | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |
| Equity shares | | | | |
| Ordinary shares of £1 each | 100 | 100 | 100 | 100 |