

Tulipland Potatoes Limited

Company Number: 2703091

FINANCIAL STATEMENTS

AND

REPORTS

FOR THE YEAR ENDED

31st March 2002



Messrs W J Ground & Co

Accountants & Registered Auditors

**First Floor, Broadgate House
Westlode Street
Spalding
Lincs
PE11 2AF**

Tulipland Potatoes Limited

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Tulipland Potatoes Limited

Directors' report for the year ended 31st March 2002

The directors present their report and the accounts for the year ended 31st March 2002.

Principal activity and review of the business

The principal activity of the company during the year was that of produce and pre-pack potato merchants.

Results and dividends

The results for the year are set out on page 3.

The directors recommend payment of a final dividend amounting to £100,000.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/03/02	01/04/01
J W Stanberry	50	50
Miss J M Stanberry	50	50
P Niedermeier	-	-

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

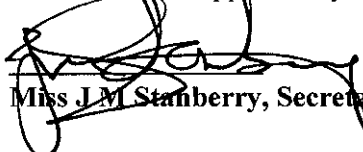
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Messrs W J Ground & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

This report was approved by the Board on 19/7/2002 and signed on its behalf by


Miss J M Stanberry, Secretary

**Independent auditors' report to Tuliiland Potatoes Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 3 to 14 together with the financial statements of Tuliiland Potatoes Limited for the year ended 31st March 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

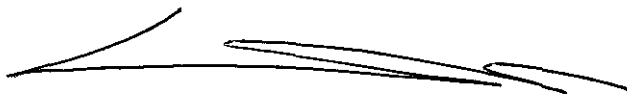
The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the 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 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 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 full 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 March 2002, and the abbreviated accounts on pages 3 to 14 are properly prepared in accordance with that provision.



Messrs W J Ground & Co

Registered Auditors

**First Floor, Broadgate House
Westlode Street
Spalding
Lines
PE11 2AF**

Date: 22/7/2002

Tulipland Potatoes Limited

Abbreviated profit and loss account for the year ended 31st March 2002

		Continuing operations	
		2002	2001
	Notes	£	£
Gross profit		1,749,327	1,280,843
Distribution costs		(637,248)	(522,724)
Administrative expenses		(928,202)	(839,223)
Operating profit/(loss)	2	<u>183,877</u>	<u>(81,104)</u>
Other interest receivable and similar income	3	997	2,017
Interest payable and similar charges	4	<u>(16,435)</u>	<u>(11,986)</u>
Profit/(loss) on ordinary activities before taxation		168,439	(91,073)
Tax on profit/(loss) on ordinary activities	7	<u>(37,303)</u>	<u>22,304</u>
Profit/(loss) on ordinary activities after taxation		131,136	(68,769)
Dividends	8	<u>(100,000)</u>	<u>-</u>
Retained profit/(loss) for the year		31,136	(68,769)
Retained profit brought forward		<u>228,015</u>	<u>296,784</u>
Retained profit carried forward		<u><u>259,151</u></u>	<u><u>228,015</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 14 form an integral part of these financial statements.

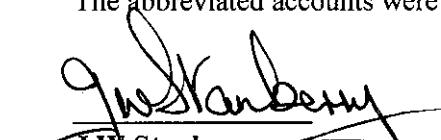
Tulipland Potatoes Limited

**Abbreviated balance sheet
as at 31st March 2002**

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Tangible assets	9		740,570		786,530
Current assets					
Stocks	10	70,870		84,211	
Debtors	11	669,432		811,118	
Cash at bank and in hand		1,061		1,055	
		<u>741,363</u>		<u>896,384</u>	
Creditors: amounts falling due within one year	12	(1,146,584)		(1,369,489)	
Net current liabilities			(405,221)		(473,105)
Total assets less current liabilities			335,349		313,425
Creditors: amounts falling due after more than one year	13		(45,356)		(60,562)
Provisions for liabilities and charges	14		(30,742)		(24,748)
Net assets			<u>259,251</u>		<u>228,115</u>
Capital and reserves					
Called up share capital	16		100		100
Profit and loss account			259,151		228,015
Shareholders' funds	17		<u>259,251</u>		<u>228,115</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies .

The abbreviated accounts were approved by the Board on 19/4/2002 and signed on its behalf by


J W Stanberry
Director

The notes on pages 6 to 14 form an integral part of these financial statements.

Tulipland Potatoes Limited

Cash flow statement for the year ended 31st March 2002

	Notes	2002 £	2001 £
Reconciliation of operating profit/(loss) to net cash inflow from operating activities			
Operating profit/(loss)		183,877	(81,104)
Depreciation		129,424	120,716
Decrease in stocks		13,341	(32,115)
Decrease in debtors		104,770	(507,287)
(Decrease) in creditors		(171,695)	620,038
Net cash inflow from operating activities		<u>259,717</u>	<u>120,248</u>

Cash flow statement

Net cash inflow from operating activities		259,717	120,248
Returns on investments and servicing of finance	21	(15,438)	(9,969)
Taxation	21	36,082	(71,045)
Capital expenditure	21	(45,394)	(316,086)
		<u>234,967</u>	<u>(276,852)</u>
Financing	21	(39,530)	(28,353)
Increase in cash in the year		<u>195,437</u>	<u>(305,205)</u>

Reconciliation of net cash flow to movement in net funds (Note 22)

Increase in cash in the year		195,437	(305,205)
Cash outflow from increase in debts and lease financing		39,530	28,353
		<u>234,967</u>	<u>(276,852)</u>
Change in net funds resulting from cash flows		(38,070)	(118,031)
Movement in net funds in the year		196,897	(394,883)
Net debt at 1st April 2001		(323,942)	70,941
Net debt at 31st March 2002		<u>(127,045)</u>	<u>(323,942)</u>

Tuliiland Potatoes Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention .

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	2% on Cost
Plant and machinery	-	20% Net Book Value
Office equipment	-	20% Net Book Value
Motor vehicles	-	25% Net Book Value

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account in proportion to the amount outstanding under the lease.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Stock

Stock and work in progress is valued at the lower of cost and net realisable value.

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.7. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

Tulipland Potatoes Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

..... continued

2. Operating profit/(loss)	2002	2001
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation and other amounts written off tangible assets	98,589	109,398
Loss on disposal of tangible fixed assets	30,835	11,318
Operating lease rentals		
- Plant and machinery	10,453	5,070
Auditors' remuneration	6,850	4,115
	<u> </u>	<u> </u>
3. Interest receivable and similar income	2002	2001
	£	£
Bank interest	6	2,017
Other interest	991	-
	<u> </u>	<u> </u>
	997	2,017
	<u> </u>	<u> </u>
4. Interest payable and similar charges	2002	2001
	£	£
On bank loans and overdrafts	8,376	5,704
Hire purchase interest	6,514	6,282
On overdue tax	1,545	-
	<u> </u>	<u> </u>
	16,435	11,986
	<u> </u>	<u> </u>

Tulipland Potatoes Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

..... continued

5. Employees

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

	2002	2001
Management, sales and administration	7	7
Production	24	25
	<u>31</u>	<u>32</u>

Employment costs

	2002 £	2001 £
Wages and salaries	515,242	489,692
Social security costs	44,460	45,055
Other pension costs	16,725	16,294
	<u>576,427</u>	<u>551,041</u>

5.1. Directors' emoluments

	2002 £	2001 £
Remuneration and other emoluments	<u>156,193</u>	<u>152,990</u>

6. Pension costs

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £16,725 (2001 - £16,294).

7. Taxation

	2002 £	2001 £
UK current year taxation		
UK corporation tax	30,475	(36,916)
Transfer to deferred taxation	5,994	14,579
	<u>36,469</u>	<u>(22,337)</u>
Prior years		
UK corporation tax	834	33
	<u>37,303</u>	<u>(22,304)</u>

Tulipland Potatoes Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

..... continued

8.	Dividends				2002 £	2001 £
	Dividends on equity shares:					
	Ordinary shares - final proposed				100,000	-
9.	Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
	Cost					
	At 1st April 2001	414,125	529,686	34,091	125,027	1,102,929
	Additions	1,100	73,374	5,616	48,610	128,700
	Disposals	-	(86,536)	(13,080)	(96,173)	(195,789)
	At 31st March 2002	415,225	516,524	26,627	77,464	1,035,840
	Depreciation					
	At 1st April 2001	11,916	221,805	19,296	63,382	316,399
	On disposals	-	(61,033)	(7,926)	(50,759)	(119,718)
	Charge for the year	8,179	71,148	3,052	16,210	98,589
	At 31st March 2002	20,095	231,920	14,422	28,833	295,270
	Net book values					
	At 31st March 2002	395,130	284,604	12,205	48,631	740,570
	At 31st March 2001	402,209	307,881	14,795	61,645	786,530

Included above are assets held under finance leases or hire purchase contracts as follows:

	2002		2001	
Asset description	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Plant and machinery	81,050	20,262	101,312	25,328
Motor vehicles	28,391	9,464	-	-
	<u>109,441</u>	<u>29,726</u>	<u>101,312</u>	<u>25,328</u>

Tulipland Potatoes Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

..... continued

10. Stocks	2002	2001
	£	£
Finished goods and raw materials	<u>70,870</u>	<u>84,211</u>
11. Debtors	2002	2001
	£	£
Trade debtors	638,191	767,874
Other debtors	27,901	40,415
Prepayments and accrued income	3,340	2,829
	<u>669,432</u>	<u>811,118</u>
12. Creditors: amounts falling due within one year	2002	2001
	£	£
Bank overdraft	33,281	228,712
Net obligations under finance leases and hire purchase contracts	49,469	35,723
Trade creditors	815,391	966,672
Corporation tax	30,475	-
Other taxes and social security costs	19,029	17,226
Directors' accounts	150,345	107,304
Accruals and deferred income	48,594	13,852
	<u>1,146,584</u>	<u>1,369,489</u>

The company's overdraft facility is secured by a charge, dated 25th August 2000, over land and potatoe store at Fengate, Moulton Chapel.

Tulipland Potatoes Limited

**Notes to the abbreviated financial statements
for the year ended 31st March 2002**

..... continued

13. Creditors: amounts falling due after more than one year	2002 £	2001 £
Net obligations under finance leases and hire purchase contracts	<u>45,356</u>	<u>60,562</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	49,469	35,723
Repayable between one and five years	<u>45,356</u>	<u>60,562</u>
	<u>94,825</u>	<u>96,285</u>
 14 Provisions for liabilities and charges		
	Deferred taxation (Note 15) £	Total £
At 1st April 2001	24,748	24,748
Movements in the year	<u>5,994</u>	<u>5,994</u>
At 31st March 2002	<u>30,742</u>	<u>30,742</u>

Tulipland Potatoes Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

..... continued

15. Deferred taxation

Deferred tax is analysed over the following timing differences:

	Not provided		Provided	
	2002	2001	2002	2001
	£	£	£	£
Accelerated capital allowances	-	-	30,742	24,748

Movements on the provision for deferred taxation are:

	2002	2001
	£	£
At 1st April 2001	24,748	-
Transferred from profit and loss account	5,994	24,748
At 31st March 2002	30,742	24,748

16. Share capital

	2002	2001
	£	£
Authorised equity		
100 Ordinary shares of 1 each	100	100
Allotted, called up and fully paid equity		
100 Ordinary shares of 1 each	100	100

17. Reconciliation of movements in shareholders' funds

	2002	2001
	£	£
Profit/(loss) for the year	131,136	(68,769)
Dividends	(100,000)	-
	31,136	(68,769)
Opening shareholders' funds	228,115	296,884
Closing shareholders' funds	259,251	228,115

Tulipland Potatoes Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

..... continued

18. Financial commitments

At 31st March 2002 the company had annual commitments under non-cancellable operating leases as follows:

	2002	Other	2001
	£		£
Expiry date:			
Between one and five years	<u>16,328</u>		<u>5,720</u>

19. Capital commitments

2002	2001
£	£

Details of capital commitments at the accounting date are as follows:

Contracted for but not provided in
the financial statements

<u>34,125</u>	<u>-</u>
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20. Transactions with directors

During the year a director of the company bought one of the company cars at a market value of £16,000.

Tulipland Potatoes Limited

Notes to the abbreviated financial statements for the year ended 31st March 2002

..... continued

21. Gross cash flows

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	997	2,017
Interest paid	(16,435)	(11,986)
	<u>(15,438)</u>	<u>(9,969)</u>
Taxation		
Corporation tax paid	-	(71,045)
Corporation tax repaid	36,082	-
	<u>36,082</u>	<u>(71,045)</u>
Capital expenditure		
Payments to acquire tangible assets	(90,630)	(325,026)
Receipts from sales of tangible assets	45,236	8,940
	<u>(45,394)</u>	<u>(316,086)</u>
Financing		
Capital element of finance leases and hire purchase contracts	(39,530)	(28,353)

22. Analysis of changes in net funds

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	1,055	6		1,061
Overdrafts	(228,712)	195,431		(33,281)
	<u>(227,657)</u>	<u>195,437</u>		<u>(32,220)</u>
Finance leases and hire purchase contracts	(96,285)	39,530	(38,070)	(94,825)
Net funds	<u>(323,942)</u>	<u>234,967</u>	<u>(38,070)</u>	<u>(127,045)</u>