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UPPER NORTON JERSEY CREAM CO. LIMITED

COMPANY NUMBER 634713

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH NOVEMBER 2002

KING LOOSE & CO

ACCOUNTANTS

St John's House

5 South Parade

Summertown

Oxford OX2 7JL



**UPPER NORTON JERSEY CREAM CO. LIMITED**

**COMPANY INFORMATION**

**FOR THE YEAR ENDED 30TH NOVEMBER 2002**

Director	M. D. Young Esq.
Secretary	Mrs S. M. Young
Company Number	634713
Registered Office	5 South Parade Summertown Oxford OX2 7JL
Accountants	King Loose & Co Accountants St John's House 5 South Parade Summertown Oxford OX2 7JL
Bankers	National Westminster Bank plc 23 High Street Witney Oxon OX8 6LW

**UPPER NORTON JERSEY CREAM CO. LIMITED**

**BALANCE SHEET**

**AS AT 30TH NOVEMBER 2002**

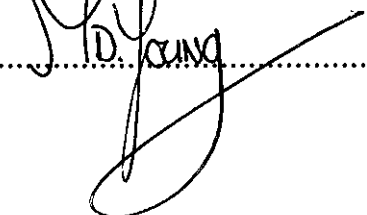
	<u>Notes</u>	<u>2002</u>		<u>2001</u>	
		£	£	£	£
<b>Fixed Assets</b>					
Intangible assets	11		5,813		5,813
Tangible assets	12		76,995		58,029
			<hr/>		<hr/>
			82,808		63,842
<b>Current Assets</b>					
Stocks		23,094		18,170	
Debtors		90,622		120,562	
Cash at bank and in hand		40,360		40,031	
		<hr/>		<hr/>	
		154,076		178,763	
<b>Creditors: amounts falling due within one year</b>		<hr/>		<hr/>	
		(100,498)		(97,812)	
<b>Net Current Assets</b>			<hr/>		<hr/>
			53,578		80,951
<b>Total Assets Less Current Liabilities</b>			<hr/>		<hr/>
			136,386		144,793
<b>Creditors: amounts falling due after more than one year</b>	16		(18,500)		(13,333)
<b>Provisions for Liabilities and Charges</b>			<hr/>		<hr/>
			(2,625)		-
<b>Net Assets</b>			<hr/>		<hr/>
			115,261		131,460
<b>Capital and Reserves</b>					
Called up share capital	18		1,500		1,500
Profit and loss account			113,761		129,960
			<hr/>		<hr/>
<b>Total Shareholders' Funds</b>			115,261		131,460
			<hr/>		<hr/>

The director considers that for the year ended 30th November 2002 the company was entitled to exemption under Subsection 1 of Section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under Subsection 2 of Section 249B of the Act.

The director acknowledges his responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and 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 the financial statements, so far as applicable to the company.

The abbreviated financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements were approved by the board of directors on 26th September 2003

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**M. D. Young Esq.**  
**Director**

**UPPER NORTON JERSEY CREAM CO. LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH NOVEMBER 2002**

**1. Accounting Policies**

**1.1. Accounting convention**

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

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

**1.2. Tangible fixed assets and depreciation**

Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:-

Plant and machinery	-	15% reducing balance basis
Improvements to property	-	25% reducing balance basis
Motor vehicles	-	25% reducing balance basis

**1.3. Leasing and hire purchase commitments**

Assets obtained under hire purchase or lease purchase contracts, and finance leases, are capitalised as tangible fixed assets and depreciated over their estimated useful economic lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

**1.4. Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.5. Pensions**

The company operates a defined contribution pension scheme for its director, and the pension charge of £5,200 (2001: £4,000) represents the amounts payable by the company to the fund in respect of the year.

**1.6. Deferred taxation**

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the rates that are expected to apply in the periods in which the timing differences reverse, based on the tax rates and the law enacted or substantively enacted at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH NOVEMBER 2002**

**11. Intangible fixed assets**

	<u>Deed of Variation Covenant</u> £	<u>Total</u> £
<b>Cost</b>		
At 1st December 2001	5,813	5,813
At 30th November 2002	5,813	5,813
<b>Net book value</b>		
At 30th November 2002	5,813	5,813
At 30th November 2001	5,813	5,813

**12. Tangible fixed assets**

	<u>Plant and machinery</u> £	<u>Improve- ments to property</u> £	<u>Motor vehicles</u> £	<u>Total</u> £
<b>Cost</b>				
At 1st December 2001	167,692	14,387	53,318	235,397
Additions	17,486	-	25,000	42,486
Disposals	-	-	(25,035)	(25,035)
At 30th November 2002	185,178	14,387	53,283	252,848
<b>Depreciation</b>				
At 1st December 2001	136,024	13,693	27,651	177,368
Charge for the year	7,373	139	11,553	19,065
On disposals	-	-	(20,580)	(20,580)
At 30th November 2002	143,397	13,832	18,624	175,853
<b>Net book value</b>				
At 30th November 2002	41,781	555	34,659	76,995
At 30th November 2001	31,668	694	25,667	58,029

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

	<u>2002</u> <u>Net Depreciation</u>		<u>2001</u> <u>Net Depreciation</u>	
Asset description	<u>book value</u> £	<u>charge</u> £	<u>book value</u> £	<u>charge</u> £
Motor vehicles	34,659	11,553	21,212	7,071

**UPPER NORTON JERSEY CREAM CO. LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH NOVEMBER 2002**

<b>15. Creditors: amounts falling due within one year</b>	<b><u>2002</u> £</b>	<b><u>2001</u> £</b>
Bank overdraft	23,429	1,512
Hire purchase creditors	9,000	4,000
Trade creditors	26,160	47,488
Corporation tax	-	2,000
Other taxes and social security costs	2,571	2,235
Director's accounts	22,152	23,778
Other loan accounts (unsecured)	8,085	8,085
Accruals and deferred income	9,101	8,714
	<u>100,498</u>	<u>97,812</u>

a) Hire purchase creditors are secured upon certain of the company's fixed assets as detailed in the notes to these financial statements.

b) The company's bank overdraft, with National Westminster Bank plc, is secured by a fixed and floating charge, in the bank's standard form, over all current and future assets of the company. This mortgage debenture, which is dated 21st August 1998, also incorporates a right of set off against other company bank accounts held at the company's bank.

<b>16. Creditors: amounts falling due after more than one year</b>	<b><u>2002</u> £</b>	<b><u>2001</u> £</b>
Hire purchase creditors	<u>18,500</u>	<u>13,333</u>

Hire purchase creditors are secured upon certain of the company's fixed assets as detailed on the notes to these financial statements.

**UPPER NORTON JERSEY CREAM CO. LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH NOVEMBER 2002**

**17. Deferred Taxation**

	<b><u>2002</u></b> <b>£</b>	<b><u>2001</u></b> <b>£</b>
<b>Balance brought forward</b>	-	-
Charge for the year	2,625	-
<b>Balance carried forward</b>	<u>2,625</u>	<u>-</u>

The provision for deferred taxation is made up of accelerated capital allowances.

The company has applied Financial Reporting Standard No. 19 for the first time in these financial statements. As a result, the accounting policy for deferred taxation has been changed and full provision has been made for timing differences arising from accelerated capital allowances, as opposed to the partial provision basis previously used. The application of the new policy has not resulted in any material change to figures reported in previous financial statements and therefore no prior year adjustment has been made. The effect of the change in policy on the current year's profit is not material.

**18. Share capital**

	<b><u>2002</u></b> <b>£</b>	<b><u>2001</u></b> <b>£</b>
<b>Authorised</b>		
1,500 Ordinary shares of £1 each	<u>1,500</u>	<u>1,500</u>
<b>Issued and fully paid</b>		
1,500 Ordinary shares of £1 each	<u>1,500</u>	<u>1,500</u>

**19. Reconciliation of movements in shareholders' funds**

	<b><u>2002</u></b> <b>£</b>	<b><u>2001</u></b> <b>£</b>
<b>(Loss)/profit for the year</b>	(16,199)	15,299
Dividends	-	(8,085)
<b>Net (deduction from)/addition to shareholders' funds</b>	<u>(16,199)</u>	<u>7,214</u>
Opening shareholders' funds	131,460	124,246
<b>Closing shareholders' funds</b>	<u>115,261</u>	<u>131,460</u>

**UPPER NORTON JERSEY CREAM CO. LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH NOVEMBER 2002**

**20. Related party transactions**

- a) The company was controlled throughout the current and previous period by its director, Mr M. D. Young, by virtue of his 100% holding in the company's ordinary share capital, prior to the 22nd November 2001. At this date Mr. Young transferred 49% of his ordinary share capital to his wife, Mrs S. M. Young.
- b) The premises from which the company operates are the personal property of the director, Mr M. D. Young. Annual rent of £11,760 (2000: £11,790) was paid in respect of the use of these premises.

**21. Secured liabilities**

- (a) Hire purchase creditors are secured upon certain of the company's fixed assets as detailed in the notes to these financial statements.
- (b) The company's bank overdraft, with National Westminster Bank plc, is secured by a fixed and floating charge, in the bank's standard form, over all current and future assets of the company. This mortgage debenture, which is dated 21st August 1998, also incorporates a right of set off against other company bank accounts held at the company's bank.