

REGISTERED NUMBER : 333467

OAKES MILLERS LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002



OAKES MILLERS LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2002**

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OAKES MILLERS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2002**

DIRECTORS:

J E Lea
A Preston
M J Jepson
A W Baxter
D Warr
T Ward
I D Brown

SECRETARY:

Mr OS Shaw

REGISTERED OFFICE:

Aston Mill
Aston
Near Nantwich
Cheshire
CW5 8DH

REGISTERED NUMBER:

333467

AUDITORS:

Harold Sharp Son & Gresty
Chartered Accountants and
Registered Auditors
Holland House
1-5 Oakfield
Sale
Cheshire M33 6TT

OAKES MILLERS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 AUGUST 2002

The directors present their report with the financial statements of the company and the group for the year ended 31 August 2002.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of animal feed manufacture.

REVIEW OF BUSINESS

The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

The results of the year and financial position of the Company are as shown in the annexed financial statements. The market in which the Company operates remains highly competitive and is affected by the challenging times through which the whole Agricultural Industry is living. Against this rather depressing background the company has performed better than may have been expected especially after the difficulties caused by Foot and Mouth.

DIVIDENDS

No dividends will be distributed for the year ended 31 August 2002.

FIXED ASSETS

Details of movements in fixed assets are shown in the notes to the financial statements.

DIRECTORS

The directors during the year under review were:

J E Lea
A Preston
M J Jepson
AW Baxter
D Warr
T Ward
I D Brown

The beneficial interests of the directors holding office on 31 August 2002 in the issued share capital of the company were as follows:

	31.8.02	1.9.01
Ordinary .50 shares		
J E Lea	40,016	40,016
A Preston	-	-
M J Jepson	-	-
AW Baxter	-	-
D Warr	-	-
T Ward	-	-
I D Brown	-	-

OAKES MILLERS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 AUGUST 2002

STATEMENT OF 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 affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Harold Sharp Son & Gresty, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



Mr OS Shaw - SECRETARY

Dated: 18th October 2002

OAKES MILLERS LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OAKES MILLERS LIMITED

We have audited the financial statements of Oakes Millers Limited for the year ended 31 August 2002 on pages five to twenty. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page three the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements give a true and fair view of the state of affairs of the company and the group as at 31 August 2002 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Harold Sharp Son & Gresty

Harold Sharp Son & Gresty

Chartered Accountants and

Registered Auditors

Holland House

1-5 Oakfield

Sale

Cheshire M33 6TT

Dated: 21st October 2002

OAKES MILLERS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2002**

	Notes	2002 £	2001 £
TURNOVER		24,234,814	25,605,079
Cost of sales		18,013,698	18,885,393
GROSS PROFIT		6,221,116	6,719,686
Distribution costs		2,938,924	3,227,712
Administrative expenses		3,037,234	3,426,715
		5,976,158	6,654,427
		244,958	65,259
Other operating income		8,349	10,304
OPERATING PROFIT	3	253,307	75,563
Interest receivable and similar income		-	1
		253,307	75,564
Interest payable and similar charges	4	121,878	150,104
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		131,429	(74,540)
Tax on profit/(loss) on ordinary activities	5	34,329	2,459
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		97,100	(76,999)
RETAINED PROFIT/(DEFICIT) FOR THE YEAR FOR THE GROUP		£97,100	£(76,999)

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

OAKES MILLERS LIMITED

CONSOLIDATED BALANCE SHEET

31 AUGUST 2002

	Notes	2002 £	2001 £
FIXED ASSETS:			
Intangible assets	7	62,312	67,312
Tangible assets	8	1,725,348	1,765,548
Investments	9	-	-
		<u>1,787,660</u>	<u>1,832,860</u>
CURRENT ASSETS:			
Stocks	10	931,836	837,443
Debtors	11	2,641,057	2,995,375
Cash at bank and in hand		4,746	4,284
		<u>3,577,639</u>	<u>3,837,102</u>
CREDITORS:			
Amounts falling due within one year	12	<u>3,289,607</u>	<u>3,358,939</u>
NET CURRENT ASSETS:			
		<u>288,032</u>	<u>478,163</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			
		2,075,692	2,311,023
CREDITORS:			
Amounts falling due after more than one year	13	(1,140,000)	(1,490,000)
PROVISIONS FOR LIABILITIES AND CHARGES:			
	16	(63,267)	(45,698)
		<u>£872,425</u>	<u>£775,325</u>
CAPITAL AND RESERVES:			
Called up share capital	17	32,800	32,800
Capital reserve	18	329,652	329,652
Other reserves	18	157	157
Profit and loss account	18	509,816	412,716
SHAREHOLDERS' FUNDS:			
	22	<u>£872,425</u>	<u>£775,325</u>

ON BEHALF OF THE BOARD:


- DIRECTOR

Approved by the Board on 18th October 2002

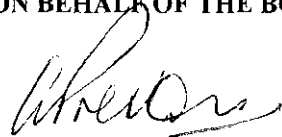
The notes form part of these financial statements

OAKES MILLERS LIMITED

COMPANY BALANCE SHEET
31 AUGUST 2002

	Notes	2002 £	2001 £
FIXED ASSETS:			
Intangible assets	7	62,312	67,312
Tangible assets	8	1,499,546	1,456,830
Investments	9	17,700	17,700
		<u>1,579,558</u>	<u>1,541,842</u>
CURRENT ASSETS:			
Stocks	10	714,807	629,120
Debtors	11	1,662,099	1,936,264
Cash at bank and in hand		1,282	529
		<u>2,378,188</u>	<u>2,565,913</u>
CREDITORS:			
Amounts falling due within one year	12	<u>2,161,161</u>	<u>2,080,083</u>
NET CURRENT ASSETS:			
		<u>217,027</u>	<u>485,830</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			
		<u>1,796,585</u>	<u>2,027,672</u>
CREDITORS:			
Amounts falling due after more than one year	13	(1,140,000)	(1,490,000)
PROVISIONS FOR LIABILITIES AND CHARGES:			
	16	(50,056)	(27,463)
		<u>£606,529</u>	<u>£510,209</u>
CAPITAL AND RESERVES:			
Called up share capital	17	32,800	32,800
Other reserves	18	157	157
Profit and loss account	18	573,572	477,252
SHAREHOLDERS' FUNDS:			
	22	<u>£606,529</u>	<u>£510,209</u>

ON BEHALF OF THE BOARD:


- DIRECTOR

Approved by the Board on 18th October 2002

The notes form part of these financial statements

OAKES MILLERS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2002**

		2002	2001
	Notes	£	£
Net cash inflow from operating activities	1	495,380	206,102
Returns on investments and servicing of finance	2	(121,878)	(150,103)
Taxation		(473)	(1,175)
Capital expenditure	2	(262,505)	(121,720)
		110,524	(66,896)
Financing	2	(350,000)	(100,000)
Decrease in cash in the period		<u>£(239,476)</u>	<u>£(166,896)</u>
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(239,476)	(166,896)
Cash outflow from decrease in debt		<u>350,000</u>	<u>100,000</u>
Change in net debt resulting from cash flows		110,524	(66,896)
Movement in net debt in the period		110,524	(66,896)
Net debt at 1 September		<u>(2,475,373)</u>	<u>(2,408,477)</u>
Net debt at 31 August		<u>£(2,364,849)</u>	<u>£(2,475,373)</u>

The notes form part of these financial statements

OAKES MILLERS LIMITED**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2002****1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2002 £	2001 £
Operating profit	253,307	75,563
Depreciation charges	283,871	327,791
Loss on disposal of fixed assets	23,832	2,561
Increase in stocks	(94,393)	(151,211)
Decrease in debtors	354,318	1,316,896
Decrease in creditors	(325,555)	(1,365,498)
Net cash inflow from operating activities	495,380	206,102

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	-	1
Interest paid	(121,878)	(150,104)
Net cash outflow for returns on investments and servicing of finance	(121,878)	(150,103)
Capital expenditure		
Purchase of tangible fixed assets	(287,026)	(139,621)
Sale of tangible fixed assets	24,521	17,901
Net cash outflow for capital expenditure	(262,505)	(121,720)
Financing		
Loan repayments in year	(350,000)	(100,000)
Net cash outflow from financing	(350,000)	(100,000)

OAKES MILLERS LIMITED**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2002****3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1/9/01 £	Cash flow £	At 31/8/02 £
Net cash:			
Cash at bank and in hand	4,284	462	4,746
Bank overdraft	(889,657)	(239,938)	(1,129,595)
	<u>(885,373)</u>	<u>(239,476)</u>	<u>(1,124,849)</u>
Debt:			
Debts falling due within one year	(100,000)	-	(100,000)
Debts falling due after one year	(1,490,000)	350,000	(1,140,000)
	<u>(1,590,000)</u>	<u>350,000</u>	<u>(1,240,000)</u>
Total	<u>(2,475,373)</u>	<u>110,524</u>	<u>(2,364,849)</u>

OAKES MILLERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2002

1. ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

The consolidated financial statements include the results of Oakes Millers Limited and its subsidiary undertakings drawn up to 31 August 2002. No profit and loss account for the company has been presented for Oakes Millers Limited as permitted by section 230 of the Companies Act 1985. The consolidated profit and loss account includes the results of H J Lea Oakes Limited for the period from its acquisition.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Goodwill

Purchased goodwill is amortized on a straight line basis over 20 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 25% on reducing balance and 15% and 25% reducing balance
Motor vehicles	- 20% on cost

Freehold land is not depreciated.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost includes direct materials and labour costs and also those overheads that have been incurred in bringing the stock to its present location and condition. Net realisable value represents sales value less appropriate selling expenses.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	2002	2001
	£	£
Wages and salaries	2,436,703	2,574,442
Social security costs	212,275	226,911
Other pension costs	44,105	46,442
	<u>2,693,083</u>	<u>2,847,795</u>

OAKES MILLERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002****2. STAFF COSTS - continued**

The average monthly number of employees during the year was as follows:

	2002	2001
Administration	10	10
Production	38	38
Selling, distribution and retail shops	47	49
	<u>95</u>	<u>97</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2002 £	2001 £
Depreciation - owned assets	278,872	322,792
Loss on disposal of fixed assets	23,832	2,561
Goodwill written off	5,000	5,000
Auditors remuneration	24,580	22,120
Other operating leases rentals	134,535	156,878
	<u>299,492</u>	<u>220,112</u>
Directors' emoluments		
Directors' pension contributions to money purchase schemes	8,017	6,111

Information regarding the highest paid director is as follows:

	2002 £	2001 £
Emoluments etc	74,782	75,070
Pension contributions to money purchase schemes	1,834	1,935

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
Bank interest	96,680	120,460
Other loan interest	25,198	29,644
	<u>121,878</u>	<u>150,104</u>

OAKES MILLERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002****5. TAXATION****Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2002 £	2001 £
Current tax:		
UK corporation tax	16,287	-
Corporation tax re prior year	473	1,175
Total current tax	<u>16,760</u>	<u>1,175</u>
Deferred tax:		
Deferred taxation	17,569	1,284
Tax on profit/(loss) on ordinary activities	<u>34,329</u>	<u>2,459</u>

6. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £96,320 (2001 - £(15,535) loss).

7. INTANGIBLE FIXED ASSETS**Group**

	Goodwill £
COST:	
At 1 September 2001 and 31 August 2002	<u>100,004</u>
AMORTISATION:	
At 1 September 2001	32,692
Charge for year	5,000
At 31 August 2002	<u>37,692</u>
NET BOOK VALUE:	
At 31 August 2002	<u>62,312</u>
At 31 August 2001	<u>67,312</u>

OAKES MILLERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

7. INTANGIBLE FIXED ASSETS - continued

Company	Goodwill £
COST:	
At 1 September 2001 and 31 August 2002	100,004
AMORTISATION:	
At 1 September 2001	32,692
Charge for year	5,000
At 31 August 2002	37,692
NET BOOK VALUE:	
At 31 August 2002	62,312
At 31 August 2001	67,312

8. TANGIBLE FIXED ASSETS

Group	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST:				
At 1 September 2001	846,866	1,760,528	470,075	3,077,469
Additions	27,737	225,789	33,500	287,026
Disposals	-	-	(188,200)	(188,200)
At 31 August 2002	874,603	1,986,317	315,375	3,176,295
DEPRECIATION:				
At 1 September 2001	92,073	985,711	234,138	1,311,922
Charge for year	13,542	205,437	59,893	278,872
Eliminated on disposal	-	-	(139,847)	(139,847)
At 31 August 2002	105,615	1,191,148	154,184	1,450,947
NET BOOK VALUE:				
At 31 August 2002	768,988	795,169	161,191	1,725,348
At 31 August 2001	754,793	774,817	235,937	1,765,547

OAKES MILLERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2002

8. TANGIBLE FIXED ASSETS - continued

Company	Freehold property £	Plant and machinery £	Totals £
COST:			
At 1 September 2001	842,083	1,593,405	2,435,488
Additions	27,737	215,862	243,599
At 31 August 2002	869,820	1,809,267	2,679,087
DEPRECIATION:			
At 1 September 2001	92,073	886,585	978,658
Charge for year	13,542	187,341	200,883
At 31 August 2002	105,615	1,073,926	1,179,541
NET BOOK VALUE:			
At 31 August 2002	764,205	735,341	1,499,546
At 31 August 2001	750,010	706,820	1,456,830

9. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST:	
At 1 September 2001 and 31 August 2002	17,700
NET BOOK VALUE:	
At 31 August 2002	17,700
At 31 August 2001	17,700

The group or the company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

HJ Lea Oakes Limited

Nature of business: Agricultural Merchanting and Distribution.

Class of shares:	% holding
Ordinary	100.00

	2002	2001
	£	£
Aggregate capital and reserves	283,598	282,816
Profit/(Loss) for the year	782	(61,464)

OAKES MILLERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

10. STOCKS

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Raw materials	650,607	487,344	609,162	456,606
Finished goods	281,229	350,099	105,645	172,514
	<u>931,836</u>	<u>837,443</u>	<u>714,807</u>	<u>629,120</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Trade debtors	2,287,109	2,669,870	1,346,445	1,564,309
Other debtors	92,311	79,230	163,734	245,640
Prepayments	261,637	246,275	151,920	126,315
	<u>2,641,057</u>	<u>2,995,375</u>	<u>1,662,099</u>	<u>1,936,264</u>

Debtors included within the company, include amounts owing from group undertakings amounting to £1,448,215 (2001: £1,765,863).

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Bank loans and overdrafts (see note 14)	1,229,595	989,657	916,667	667,243
Trade creditors	1,747,598	1,963,649	1,091,814	1,201,705
Taxation	16,287	-	1,823	-
Social security and other taxes	56,256	58,658	22,975	23,500
Due to subsidiary company	-	-	-	8,527
Accrued expenses	239,871	346,975	127,882	179,108
	<u>3,289,607</u>	<u>3,358,939</u>	<u>2,161,161</u>	<u>2,080,083</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Bank loans (see note 14)	550,000	650,000	550,000	650,000
Other loans (see note 14)	590,000	840,000	590,000	840,000
	<u>1,140,000</u>	<u>1,490,000</u>	<u>1,140,000</u>	<u>1,490,000</u>

OAKES MILLERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

14. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	1,129,595	889,657	816,667	567,243
Bank loans - less than 1 yr	100,000	100,000	100,000	100,000
	<u>1,229,595</u>	<u>989,657</u>	<u>916,667</u>	<u>667,243</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
Related company loan	350,000	600,000	350,000	600,000
Directors' loan	180,000	180,000	180,000	180,000
Other loans	60,000	60,000	60,000	60,000
	<u>590,000</u>	<u>840,000</u>	<u>590,000</u>	<u>840,000</u>
Repayable by instalments				
Bank loans repayable after 5 years	<u>150,000</u>	<u>250,000</u>	<u>150,000</u>	<u>250,000</u>
	<u>150,000</u>	<u>250,000</u>	<u>150,000</u>	<u>250,000</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	Company	
	2002	2001
	£	£
Bank overdraft	816,667	567,243
Bank loans	650,000	750,000
	<u>1,466,667</u>	<u>1,317,243</u>

OAKES MILLERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

16. PROVISION FOR LIABILITIES AND CHARGES

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Deferred tax	<u>63,267</u>	<u>45,698</u>	<u>50,056</u>	<u>27,463</u>

Group

	Deferred tax £
Balance at 1 September 2001	45,698
Accelerated Capital Allowances	<u>17,569</u>
Balance at 31 August 2002	<u>63,267</u>

Company

	Deferred tax £
Balance at 1 September 2001	27,463
Capital allowances	<u>22,593</u>
Balance at 31 August 2002	<u>50,056</u>

Deferred tax provision

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Deferred tax	<u>63,267</u>	<u>45,698</u>	<u>50,056</u>	<u>27,463</u>

17. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002 £	2001 £
65,600	Ordinary	.50	<u>32,800</u>	<u>32,800</u>

OAKES MILLERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

18. RESERVES

Group

	Profit and loss account £	Capital reserve £	Other reserves £	Totals £
At 1 September 2001	412,716	329,652	157	742,525
Retained profit for the year	97,100	-	-	97,100
At 31 August 2002	<u>509,816</u>	<u>329,652</u>	<u>157</u>	<u>839,625</u>

Company

	Profit and loss account £	Other reserves £	Totals £
At 1 September 2001	477,252	157	477,409
Retained profit for the year	96,320	-	96,320
At 31 August 2002	<u>573,572</u>	<u>157</u>	<u>573,729</u>

19. CONTINGENT LIABILITIES

The company has given a guarantee to Barclays Bank plc on behalf of HJ Lea Oakes Limited which is secured by a debenture over the assets of the company.

20. CAPITAL COMMITMENTS

The company is committed to capital expenditure amounting to £35,320 (2001: £nil) at the 31st August 2002.

21. OTHER FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in payments falling due in the next financial year for leases expiring within one year amounting to £6,063 (2001: £2,761) and for leases expiring within two to five years amounting to £111,536 (2001: £154,117).

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2002 £	2001 £
Profit/(Loss) for the financial year	97,100	(76,999)
Net addition/(reduction) to shareholders' funds	97,100	(76,999)
Opening shareholders' funds	775,325	852,324
Closing shareholders' funds	<u>872,425</u>	<u>775,325</u>
Equity interests	<u>872,425</u>	<u>775,325</u>

OAKES MILLERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company	2002 £	2001 £
Profit/(Loss) for the financial year	96,320	(15,535)
Net addition/(reduction) to shareholders' funds	96,320	(15,535)
Opening shareholders' funds	510,209	525,744
Closing shareholders' funds	606,529	510,209
Equity interests	606,529	510,209