

W. A. FARM SUPPLIES LIMITED

(A COMPANY LIMITED BY GUARANTEE)

COMPANY NO. 00772859

DIRECTORS' REPORT AND FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1995

PHIPPS & CO.
Chartered Accountants
and
Registered Auditors

Strangford House,
Church Road,
Ashford,
Kent.
TN23 1RD



W. A. FARM SUPPLIES LIMITED

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FOR THE YEAR ENDED 30TH SEPTEMBER 1995

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W. A. FARM SUPPLIES LIMITED
DIRECTORS AND OFFICERS OF THE COMPANY
FOR THE YEAR ENDED 30TH SEPTEMBER 1995

CHAIRMAN

D R Boyd

OTHER DIRECTORS

J C Emery
P A J Campbell
N Chantler
H J Clark
P J Forknall
R M R Ashby
N J Leggat
A R Boxall
J S Webster
A Barr
S R Hukins (Appointed 22/03/95)

SECRETARY

Mrs S E Chantler

REGISTERED OFFICE

Strangford House,
Church Road,
Ashford,
Kent,
TN23 1RD.

BANKERS

National Westminster Bank PLC.,
20 High Street,
Ashford,
Kent,
TN24 8SH.

AUDITORS

Phipps & Co.,
Strangford House,
Church Road,
Ashford,
Kent,
TN23 1RD.

W. A. FARM SUPPLIES LIMITED

DIRECTORS REPORT

FOR THE YEAR ENDED 30TH SEPTEMBER 1995

Accounts

The directors present their report and audited financial statements for the year ended 30th September 1995.

Activities

The Company continues to trade as an Agricultural Buying Association solely for the benefit of its members.

Review of the Business

The Company's group surcharge income increased by £2,263 in comparison with the previous year, but interest received increased by £1,368. Overhead expenditure increased by £1,614 leaving a profit before taxation of £3,753, an increase of £2,017 over the previous year.

Results and Dividends

The results for the year are shown in the attached Profit and Loss Account.

Transfers to reserve comprise £2,500 (1994 £750) to the General Reserve.

Retained profits carried forward at 30th September 1995 amount to £4,872 (1994 £4,598).

Fixed Assets

Changes in fixed assets are set out in note 8 to the accounts.

Tax Status

The Company is a mutual trading concern and accordingly is only liable to Corporation Tax on Investment Income received. In the opinion of the Directors the Company is not a close company within the meaning of Section 414 Income and Corporation Taxes Act 1988.

Directors and Shareholdings

The directors of the Company at 30th September 1995 were:-

J C Emery	R M R Ashby
D R Boyd	N J Leggat
P A J Campbell	A R Boxall
N Chantler	J S Webster
H J Clark	A Barr
P J Forknall	S R Hukins (Appointed 22/03/95)

M J Preisig resigned from office on the 22nd March 1995

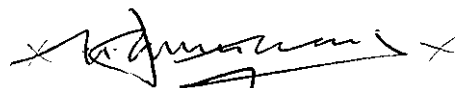
Limited by Guarantee

The Company is one limited by guarantee not having a share capital.

Auditors

Messrs. Phipps & Co. offer themselves for re-appointment in accordance with Section 384 (1) Companies Act 1985.

By Order of the Board


Chairman
D.R. Boyd

W. A. FARM SUPPLIES LIMITED

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 of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

By order of the board



D.R. Boyd

AUDITORS' REPORT TO THE SHAREHOLDERS OF

W. A. FARM SUPPLIES LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective Responsibilities of Directors and Auditors

As described on page 3, the Company's directors are responsible for the preparation of financial statements. 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 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 error or other irregularity. 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 the Company's affairs as at 30th September 1995 and of its profit and cash flow for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Strangford House
Church Road
Ashford
Kent TN23 1RD



PHIPPS & CO.
Chartered Accountants
and Registered Auditors

29th February 1996

W. A. FARM SUPPLIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH SEPTEMBER 1995

		<u>1995</u>	<u>1994</u>
		£	£
Turnover	<u>Notes</u> 2	24,963	22,700
Administrative costs		25,169	23,555
Operating (loss)/profit	3	(206)	(855)
Other interest receivable	6	3,958	2,591
Profit on ordinary activities before taxation		3,752	1,736
Tax on profit on ordinary activities	7	978	648
Profit on ordinary activities after taxation		2,774	1,088
Transfer to general reserve	12	2,500	750
		274	338
Retained profit brought forward		4,598	4,260
<u>Retained profit carried forward</u>		<u>4,872</u>	<u>4,598</u>

There are no recognised gains or losses other than the profit for the year which arise from continuing operations.

The notes on pages 8 to 11 form part of these accounts.

W. A. FARM SUPPLIES LIMITED

BALANCE SHEET

AS AT 30TH SEPTEMBER 1995

		<u>1995</u>		<u>1994</u>
		£	£	£
	<u>Notes</u>			
<u>FIXED ASSETS</u>				
Tangible assets	8		915	1,077
<u>CURRENT ASSETS</u>				
Debtors	9	442,174		473,596
Cash at bank		25,061		20,516
		<u>467,235</u>		<u>494,112</u>
<u>CURRENT LIABILITIES</u>				
Amounts falling due within one year	10	<u>441,105</u>		<u>470,948</u>
<u>NET CURRENT ASSETS</u>			<u>26,130</u>	<u>23,164</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>27,045</u>	<u>24,241</u>
<u>CAPITAL AND RESERVES</u>				
Members fees	11		923	893
<u>Reserves</u>				
General	12	21,250		18,750
Profit and Loss Account		<u>4,872</u>		<u>4,598</u>
			<u>26,122</u>	<u>23,348</u>
			<u>27,045</u>	<u>24,241</u>

The financial statements were approved by the Board of Directors on

29.2.96
.....
.....
(Director) N. Chantler

.....
.....
(Director) R.M.R. Ashby

The notes on pages 8 to 11 form part of these Accounts.

W. A. FARM SUPPLIES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH SEPTEMBER 1995

	£	1995	£	1994	£
<u>NET CASH INFLOW/(OUTFLOW) FROM OPERATING</u> <u>ACTIVITIES</u>					
			1,205		(92)
<u>RETURNS ON INVESTMENTS AND</u> <u>SERVICING OF FINANCE</u>					
Interest received	3,958			2,591	
<u>Net cash inflow from Returns on investments</u> <u>and servicing of finance</u>		3,958			2,591
<u>INVESTING ACTIVITIES</u>					
Payments to acquire tangible fixed assets		-			(358)
Corporation tax paid	(648)			(783)	
Tax paid		(648)			(783)
<u>Net cash inflow before financing</u>		4,515			1,358
<u>FINANCING</u>					
Membership fees received	30			60	
Net cash inflow from financing		30			60
<u>Increase in cash and cash equivalents</u>		<u>4,545</u>			<u>1,418</u>

See note 15 for the notes to this statement.

W. A. FARM SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1995

1. ACCOUNTING POLICIES

The Financial Statements are prepared under the historical cost convention.

The accounting policies which the directors have adopted are set out below:-

a) Depreciation of Tangible Fixed Assets -

Tangible fixed assets are depreciated at rates estimated to write off the cost of the assets over their expected useful lives.

Depreciation has been charged at the following rates per annum:

Equipment and office machinery - 15% on written down value

b) Turnover -

Turnover is defined as the full amounts derived from the services provided by the Company to its members.

c) Mutual Trading/Taxation -

As the Company continues to be a mutual trading concern no provision is required for Corporation Tax payable on the profit for the year, the only liability to Corporation Tax being in respect of Investment Income received.

d) Status

The Company is limited by guarantee.

2. ANALYSIS OF TURNOVER AND PROFIT

In the opinion of the directors the Company does not have classes of business which differ substantially from each other and analysis of turnover and profit is therefore not appropriate.

The Company made no exports.

3. OPERATING (LOSS)/PROFIT

	<u>1995</u>	<u>1994</u>
Operating (loss)/profit is arrived at after charging:-		
Depreciation	162	432
Auditor's remuneration	920	850

4. DIRECTORS EMOLUMENTS

There are no emoluments of the directors included in the profit and loss account.

W. A. FARM SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 30TH SEPTEMBER 1995

5. EMPLOYEES

The average number employed by the Company within each category of person was:

	<u>1995</u>	<u>1994</u>
Administration staff	<u>2</u>	<u>2</u>

The costs incurred in respect of these employees were:-

	<u>1995</u>	<u>1994</u>
Wages and salaries	16,045	14,530
Social security costs	1,005	1,036
	<u>17,050</u>	<u>15,566</u>

6. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>1995</u>	<u>1994</u>
Bank Deposit Account interest	<u>3,958</u>	<u>2,591</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

The charge for taxation in the Profit and Loss Account for the year is made up as follows:

	<u>1995</u>	<u>1994</u>
<u>U. K. Corporation Tax</u>		
Charge on investment income for year at 25% (payable 1.7.96.)	<u>978</u>	<u>648</u>

8. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u>
Cost	
At 1st October 1994	3,054
At 30th September 1995	<u>3,054</u>
Depreciation	
At 1st October 1994	1,977
Charge for the year	162
At 30th September 1995	<u>2,139</u>
<u>Net Book Value</u>	
30th September 1995	<u>915</u>
30th September 1994	<u>1,077</u>

W. A. FARM SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 30TH SEPTEMBER 1995

9. DEBTORS

	<u>1995</u>	<u>1994</u>
Due within one year:		
Amounts due from members	440,715	472,629
Prepayments	1,459	967
	<u>442,174</u>	<u>473,596</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1995</u>	<u>1994</u>
Amounts due to suppliers	437,647	468,612
Accruals	1,314	620
Corporation tax	978	648
Other taxation and social security	1,166	1,068
	<u>441,105</u>	<u>470,948</u>

11. MEMBERS FEES

	<u>1995</u>	<u>1994</u>
As at 1st October 1994	893	833
Received during year (new members)	30	60
	<u>923</u>	<u>893</u>

12. MOVEMENTS ON GENERAL RESERVE

	<u>1995</u>	<u>1994</u>
As at 1st October 1994	18,750	18,000
Transferred during year	2,500	750
	<u>21,250</u>	<u>18,750</u>

13. CAPITAL COMMITMENTS

There were no capital commitments at the balance sheet date (1994 nil).

14. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date (1994 nil).

W. A. FARM SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE YEAR ENDED 30TH SEPTEMBER 1995

15. RECONCILIATION OF OPERATING PROFIT TO NET
CASH (OUTFLOW) FROM OPERATING ACTIVITIES

Operating (loss)/profit	(206)	(855)
Depreciation charges	162	432
(increase)/decrease in debtors	31,422	(199,680)
increase/(decrease) in creditors	(30,173)	200,011
Net cash (outflow)/inflow from operating activities	<u>1,205</u>	<u>(92)</u>

ANALYSIS OF CHANGES IN CASH AND
CASH EQUIVALENTS DURING THE YEAR

	£	£
Balance at 1st October 1994	20,516	19,098
Net cash inflow	4,545	1,418
Balance at 30th September 1995	<u>25,061</u>	<u>20,516</u>

ANALYSIS OF THE BALANCES OF CASH AND CASH
EQUIVALENTS AS SHOWN ON THE BALANCE SHEET

	1995	1994	Change In year
	£	£	£
Cash at bank and in hand	25,061	20,516	4,545
Bank overdrafts	-	-	-
	<u>£ 25,061</u>	<u>£ 20,516</u>	<u>£ 4,545</u>

ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Members fees
	£
Balance at 1st October 1994	893
Cash inflow/(outflow) from financing	30
Balance at 30th September 1995	<u>£ 923</u>