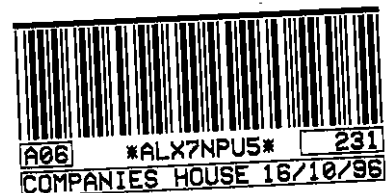


REGISTRATION NUMBER: 1237541

C. AND E. FRANKS LIMITED

Companies House

**Directors' Report
and
Accounts
For the year ended 31st December 1995**



**WHITING & PARTNERS
CHARTERED ACCOUNTANTS
THE OLD SCHOOL HOUSE
DARTFORD ROAD
MARCH CAMBS
PE15 8AE**

C. AND E. FRANKS LIMITED

Directors:

Mrs. E. Franks
Mrs. J. E. Walker
Mrs. H. M. Fosbueary

Secretary:

Mrs. H. M. Fosbueary

Registered Office:

16 Stonecross Way,
March,
Cambs.
PE15 9DH

Registered Number:

1237541

Bankers:

Barclays Bank Plc.
2 Broad Street,
March,
Cambs.
PE15 8TQ

Accountants:

Whiting & Partners,
Chartered Accountants,
The Old School House,
Dartford Road,
March,
Cambs.
PE15 8AE

C. AND E. FRANKS LIMITED

REPORT OF THE DIRECTORS
For the year ended 31st December 1995

The Directors submit their Report and Accounts for the year ended 31st December 1995.

RESULTS AND DIVIDENDS

The trading profit for the year, after taxation amounted to £288 (1994: £449).

The Directors recommend:-

- a) No dividend be paid for the year.
- b) That the profit after taxation be transferred to Revenue Reserve.

REVIEW OF THE BUSINESS AND FUTURE PROSPECTS

The Company's principal activity during the year was the same as in previous years, namely arable farming.

The Company has continued to operate successfully its sugar beet farming alongside the general share farming agreement. The Directors are aware of the build up of external factors with unstable world market prices and doubts over the long term receipt of Set Aside/Arable Area payments to arable farmers particularly in the light of the current B.S.E. livestock crisis, but consider the structure of their operations provide a measure of protection from these influences.

FIXED ASSETS

The changes in fixed assets during the year are summarised in the notes to the Accounts.

In the opinion of the Directors, the long term open market value of the Company's Freehold Land and Buildings is not materially in excess of that shown in the Accounts in relation to its use in the company's trade.

DIRECTORS

The Directors at 30th August 1996 are listed on page 1.

Mrs. H. M. Fosbueary retires by rotation and, being eligible, offers herself for re-election.

The interests of Directors in the share capital of the Company are set out in note 12 to the Accounts.

TAX STATUS

The Company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

Approved by the Board on 30th August 1996
and signed on its behalf by:-

E. Franks)
Mrs. E. Franks)
.....) Directors
.....)
H. M. Fosbueary)
Mrs. H. M. Fosbueary)

C. AND E. FRANKS LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31st December 1995

	<u>Notes</u>	£	1995 £	£	1994 £
<u>TURNOVER</u>					
- Continuing Operations	2		44,691		56,682
Change in Valuation of Produce			1,035		1,490
Other Operating Income			<u>2,752</u>		<u>2,296</u>
			48,478		60,468
<u>DEDUCT:</u>					
Raw Materials and Consumables		3,198		2,936	
Staff Costs	4	15,685		14,475	
Depreciation		445		445	
Other Operating Charges		<u>41,561</u>	<u>60,889</u>	<u>51,134</u>	<u>68,990</u>
<u>OPERATING (LOSS) BEFORE INTEREST</u>					
<u>CHARGES</u> - Continuing Operations	3		(12,411)		(8,522)
Income from Bank Deposit Accounts		12,517		9,176	
Dividends Received		<u>313</u>	<u>12,830</u>	<u>-</u>	<u>9,176</u>
<u>PROFIT ON ORDINARY ACTIVITIES</u>					
<u>BEFORE TAXATION</u>			419		654
Tax on Profit on Ordinary Activities	5		(131)		(205)
<u>PROFIT ON ORDINARY ACTIVITIES</u>					
<u>AFTER TAXATION</u>			288		449
<u>PROFIT ATTRIBUTABLE TO</u>					
<u>SHAREHOLDERS</u>			288		449
<u>RETAINED PROFIT FOR THE</u>					
<u>FINANCIAL YEAR</u>	13		288		449

The notes on pages 6 to 9 form part of these accounts.

C. and E. FRANKS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31st December 1995

	<u>Note</u>	1995 £	1994 £
Profit attributable to Shareholders		288	449
Provision for Permanent Diminution in Value of Intangible Fixed Asset	6	(250)	(250)
Total Recognised Gains and Losses relating to the year		38	199
		—	—

The notes on pages 6 to 9 form part of these Accounts.

C. AND E. FRANKS LIMITED

BALANCE SHEET
As at 31st December 1995

	<u>Notes</u>	£	1995 £	£	1994 £
<u>FIXED ASSETS</u>					
Intangible Assets	6		-		250
Tangible Assets	7		47,484		47,930
Investments	8		<u>4,973</u>		<u>4,973</u>
			52,457		53,153
<u>CURRENT ASSETS</u>					
Stocks	9	13,445		11,910	
Debtors	10	6,855		8,257	
Cash at Bank		<u>191,236</u>		<u>225,009</u>	
		211,536		245,176	
<u>CREDITORS: Amounts Falling</u>					
<u>Due within One Year</u>	11	<u>(56,069)</u>		<u>(90,443)</u>	
<u>NET CURRENT ASSETS</u>			<u>155,467</u>		<u>154,733</u>
<u>TOTAL ASSETS LESS CURRENT</u>					
<u>LIABILITIES</u>			207,924		207,886
<u>CAPITAL AND RESERVES</u>					
Share Capital	12		12,000		12,000
Profit and Loss Account	13		<u>195,924</u>		<u>195,886</u>
<u>TOTAL EQUITY SHAREHOLDERS FUNDS</u>	14		<u>207,924</u>		<u>207,886</u>

The Directors:

- confirm that for the year ending 31st December 1995 the company was entitled to the exemption under subsection (1) of section 249A;
- confirm that no notice requiring an audit had been deposited under subsection (2) of s249B in relation to the accounts for the financial year; and
- acknowledge their responsibility for: (a) ensuring that the company keeps accounting records which comply with section 221; and (b) preparing accounts 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 Companies Act 1985 relating to accounts, so far as applicable to the company.

**Approved by the Board on 30th August 1996
and signed on its behalf by:-**

.....*E. Franks*.....)
Mrs. E. Franks)
) Directors
.....*H. M. Fosbueary*.....)
Mrs. H. M. Fosbueary)

The notes on pages 6 to 9 form part of these accounts.

C. AND E .FRANKS LIMITED

NOTES TO ACCOUNTS

For the year ended 31st December 1995

1. ACCOUNTING POLICIES

Basis of Accounting

The Accounts have been prepared under the historical cost convention (modified to include the revaluation of freehold land and potato acreage quota) and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life as follows:-

Agricultural Buildings	-	Over 10 years straight line
Land Drainage	-	Over 25 years straight line

Intangible Fixed Assets

The Directors consider that the estimated residual value of potato acreage quota is equal to the value at which it is included in the Accounts and no amortisation has therefore been provided.

Stocks

Stocks are stated at the lower of cost or net realisable value a basis consistent with previous years as follows :- Cost incurred in bringing each product to its present location and condition. Growing crops, cultivations and produce on hand - cost of direct materials and labour plus attributable overheads based on normal level of activity. Net realisable value is based on estimated selling price less further costs expected to be incurred to harvest and disposal.

Deferred Taxation

Deferred Taxation is provided at the current tax rate on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the Profit and Loss Account.

Cash Flow Statement

The Company is entitled as a small company to exemption from F.R.S.1 and no cashflow statement has therefore been prepared.

Interest Receivable

Interest receivable is accounted for in the period in which the interest is credited to the Company's accounts.

2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided (stated net of value added tax) and, is totally attributable to the Company's principal activity carried on within the United Kingdom.

3. OPERATING (LOSS) BEFORE INTEREST CHARGES

This is stated after charging or crediting:

	1995 £	1994 £
Directors Remuneration	15,100	14,100
Depreciation	<u>445</u>	<u>445</u>
Net Rental Income	<u>2,014</u>	<u>2,014</u>

4. STAFF COSTS

Wages and Salaries	14,500	13,500
Social Security Costs	585	375
Other Pension Costs (Note 16)	<u>600</u>	<u>600</u>
	<u>15,685</u>	<u>14,475</u>

The only employees of the Company during 1995 and 1994 were the three Directors.

C. AND E. FRANKS LIMITED

NOTES TO ACCOUNTS (CONTINUED)
For the year ended 31st December 1995

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1995 £	1994 £
Based on the profit for the year:		
Corporation Tax at 25%	68	205
Deferred Taxation at 25%	-	-
Tax Credits on Dividends Received	<u>63</u>	<u>-</u>
	<u>131</u>	<u>205</u>

6. INTANGIBLE FIXED ASSETS

	Potato Acreage Quota £
Cost or valuation	
At 1.1.1995	250
Permanent Diminution in Value	<u>250</u>
At 31.12.1995	-
Amortisation	
At 1.1.95	-
Provided during Year	-
At 31.12.95	-
Net Book Value at 31.12.95	-
Net Book Value at 1.1.94	<u>250</u>

The potato acreage quota was valued on an open market value on 31st December 1995 by the Directors. The permanent diminution in value of £250 has been written off to Revenue Reserve.

7. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £
Cost or valuation	
At 1.1.1995	61,066
At 31.12.1995	<u>61,066</u>
Depreciation	
At 1.1.1995	13,136
Charge for Year	445
At 31.12.1995	<u>13,581</u>
Net Book Value	
At 31.12.1995	<u>47,485</u>
At 1.1.1995	<u>47,930</u>

The freehold land was valued on an open market value basis on 31st December 1991 by the Directors and the loss of £13,156 was written off to Revenue Reserve.

Historical Cost	
At 1.1.1995	57,377
At 31.12.1995	<u>57,377</u>
Net Book Value	
At 1.1.1995	44,221
At 31.12.1995	<u>44,221</u>

8. INVESTMENTS

The Company owns shares, which are unquoted, in two farming co-operative companies and has also made loans to two farming co-operative companies. During the year a net dividend of £251 (1994 : £Nil) was received from one of these companies. No other dividends or interest was paid by any of these companies to members, in consequence of which prices received by members for farm produce will have been enhanced and purchases discounted.

C. AND E. FRANKS LIMITED

NOTES TO ACCOUNTS (CONTINUED)
For the year ended 31st December 1995

8. INVESTMENTS

The balances are:-

	1995 £	1994 £
Ordinary Shares		
Marcam and M.D.S. Supplies Limited	50	50
Fenmarc Limited	3,511	1
Loans		
Fenmarc Limited	-	3,510
Fengrain Limited (premium on purchase of additional storage space)	<u>1,412</u>	<u>1,412</u>
	<u>4,973</u>	<u>4,973</u>

In the opinion of the Directors, the open market values of the above investments at 31st December 1995 was not materially different from their book values.

9. STOCKS

	1995 £	1994 £
Produce on Hand	6,215	5,180
Cultivations and Growing Crops	<u>7,230</u>	<u>6,730</u>
	<u>13,445</u>	<u>11,910</u>

10. DEBTORS

Trade Debtors	6,820	3,358
Other Debtors	<u>35</u>	<u>4,899</u>
	<u>6,855</u>	<u>8,257</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Payments received on account	504	504
Trade Creditors	19,803	3,823
Current Corporation Tax	68	206
Other Taxes and Social Security Costs	4,438	3,750
Directors Current Accounts	12,835	65,515
Accruals	<u>18,421</u>	<u>16,645</u>
	<u>56,069</u>	<u>90,443</u>

12. SHARE CAPITAL

Ordinary Shares of £1 each:-

Authorised	<u>20,000</u>	<u>20,000</u>
Allotted, Issued and Fully Paid	<u>12,000</u>	<u>12,000</u>

The Directors interests in the share capital of the Company, all beneficially held, were as follows:-

	No.	No.
Mrs. E. Franks	7,500	7,500
Mrs. J. E. Walker	2,250	2,250
Mrs. H. M. Fosbueary	<u>2,250</u>	<u>2,250</u>
	<u>12,000</u>	<u>12,000</u>

13. RESERVES

	£	£
Profit and Loss Account:-		
Balance at 1st January 1995	195,886	195,687
Retained Profit for the Financial Year	288	449
Provision for Permanent Diminution in Value of Intangible Fixed Asset (Note 6)	<u>(250)</u>	<u>(250)</u>
Balance at 31st December 1995	<u>195,924</u>	<u>195,886</u>

C. AND E. FRANKS LIMITED

NOTES TO ACCOUNTS (CONTINUED)
For the year ended 31st December 1995

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995	1994
	£	£
Profit for the Financial Year	288	449
Other Recognised Gains and Losses for the Year	(250)	(250)
Net increase in Shareholders Funds	38	199
Shareholders Funds at 1.1.1995	<u>207,886</u>	<u>207,687</u>
Shareholders Funds at 31.12.1995	<u>207,924</u>	<u>207,886</u>

15. CONTINGENT LIABILITIES

There were no known contingent liabilities not provided for at the Balance Sheet date (1994: None).

16. PENSION COMMITMENTS

The benefits payable under the money purchase pension scheme which the Company operates for its Directors are based upon the value of the Fund at the date of retirement. There is no commitment to fully fund the scheme. Premiums paid to this scheme during the year amounted to £600 (1994: £600).

17. TRANSACTIONS WITH DIRECTORS

The Directors have interests in various parcels of land and certain agricultural buildings situated thereon, which are occupied by the Company for the purpose of its farming activities. No rent is paid for some of these tenancies, but the Company meets all the outgoings in connection with the land and buildings, including all drainage, water and general rates and all maintenance and repair costs. Since September 1990 rent at normal commercial rates has applied to the land and buildings at Postmill Farm, Doddington.