

REGISTERED NUMBER. 1294549 (England and Wales)

**Report of the Directors and
Financial Statements
For The Year Ended 31st May 2007
for
Albert Bartlett and Sons (Boston) Ltd
Previously known as Naturally Best (Packaging) Ltd**

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Albert Bartlett and Sons (Boston) Ltd

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For The Year Ended 31st May 2007**

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Albert Bartlett and Sons (Boston) Ltd

Company Information
For The Year Ended 31st May 2007

DIRECTORS.	A Bartlett R A Bartlett
SECRETARY	K McGuinness
REGISTERED OFFICE.	Great Acre Fen Chatters Cambridgeshire PE16 6TA
REGISTERED NUMBER.	1294549 (England and Wales)
AUDITORS:	Cahill Jack Associates Chartered Accountant and Registered Auditors "Inchcape" 91 Alexander Street Airdrie ML6 0BD
BANKERS:	The Royal Bank of Scotland 10 Gordon Street Glasgow G1 3PL
SOLICITORS:	MacRoberts Solicitors 152 Bath Street Glasgow G2 4NB

Albert Bartlett and Sons (Boston) Ltd

Report of the Directors For The Year Ended 31st May 2007

The directors present their report with the financial statements of the company for the year ended 31st May 2007

CHANGE OF NAME

The company passed a special resolution on 1st September 2006 changing its name from Naturally Best (Packaging) Ltd to Albert Bartlett and Sons (Boston) Ltd

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of growing, packing and marketing of vegetables

REVIEW OF BUSINESS

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

The directors are satisfied with the trading performance given the difficult trading conditions experienced during the year

Turnover for the year has increased by 29% The gross profit percentage has increased from 31% to 34% due to improved efficiencies within the company The results for the year are set out on page 7 Net profit before tax has increased significantly due to the better gross profit achieved as explained above

DIVIDENDS

No dividends will be distributed for the year ended 31st May 2007

FIXED ASSETS

Details of movements in fixed assets are given in the notes to the accounts

In the opinion of the directors the market value of land and buildings is not materially different from the value stated in the accounts

DIRECTORS

The directors who have held office during the period from 1st June 2006 to the date of this report are as follows

A Bartlett - appointed 18th September 2006

R A Bartlett - appointed 18th September 2006

EMPLOYEE INVOLVEMENT

The group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the group This is achieved through regular consultations with employee representatives

Applications for employment by disable persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities Every effort is made to accommodate disabled employees currently employed within the organisation

It is the policy of the company that training, career development and promotion opportunities should be available to all employees

Albert Bartlett and Sons (Boston) Ltd

**Report of the Directors
For The Year Ended 31st May 2007**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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,
- 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 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.

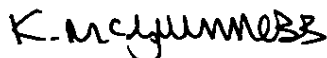
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Cahill Jack Associates, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



K McGuinness - Secretary

29th February 2008

**Report of the Independent Auditors to the Shareholders of
Albert Bartlett and Sons (Boston) Ltd**

We have audited the financial statements of Albert Bartlett and Sons (Boston) Ltd for the year ended 31st May 2007 on pages six to sixteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page three.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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.

**Report of the Independent Auditors to the Shareholders of
Albert Bartlett and Sons (Boston) Ltd**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st May 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements



Cahill Jack Associates
Chartered Accountant and Registered Auditors
"Inchcape"
91 Alexander Street
Airdrie
ML6 0BD

29th February 2008

Albert Bartlett and Sons (Boston) Ltd

**Profit and Loss Account
For The Year Ended 31st May 2007**

	Notes	2007 £	2006 £
TURNOVER		30,291,295	23,485,464
Cost of sales		22,485,671	18,782,989
GROSS PROFIT		7,805,624	4,702,475
Distribution costs		3,432,726	2,889,801
Administrative expenses		2,344,508	1,628,715
		5,777,234	4,518,516
		2,028,390	183,959
Other operating income		3,430	2,927
OPERATING PROFIT	3	2,031,820	186,886
Profit/loss on sale of tang fa		137,153	5,661
		1,894,667	181,225
Interest payable and similar charges	4	49,668	93,873
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,844,999	87,352
Tax on profit on ordinary activities	5	716,417	17,520
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		1,128,582	69,832

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

Albert Bartlett and Sons (Boston) Ltd

**Balance Sheet
31st May 2007**

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	6	5,669,510	5,704,926
CURRENT ASSETS			
Stocks	7	1,445,066	465,867
Debtors	8	682,877	2,211,192
Cash at bank and in hand		256,984	10,365
		<u>2,384,927</u>	<u>2,687,424</u>
CREDITORS			
Amounts falling due within one year	9	<u>6,246,004</u>	<u>5,935,675</u>
NET CURRENT LIABILITIES		<u>(3,861,077)</u>	<u>(3,248,251)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,808,433</u>	<u>2,456,675</u>
CREDITORS			
Amounts falling due after more than one year	10	-	(2,050,000)
PROVISIONS FOR LIABILITIES	13	<u>(320,573)</u>	<u>(47,397)</u>
NET ASSETS		<u><u>1,487,860</u></u>	<u><u>359,278</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	3,000	3,000
Profit and loss account	15	<u>1,484,860</u>	<u>356,278</u>
SHAREHOLDERS' FUNDS	18	<u><u>1,487,860</u></u>	<u><u>359,278</u></u>

The financial statements were approved by the Board of Directors on 29th February 2008 and were signed on its behalf by



R A Bartlett - Director

The notes form part of these financial statements

Albert Bartlett and Sons (Boston) Ltd

**Cash Flow Statement
For The Year Ended 31st May 2007**

		2007		2006	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		3,066,881		942,335
Returns on investments and servicing of finance	2		(49,668)		(106,232)
Capital expenditure	2		(1,028,721)		(3 487,133)
			1,988,492		(2,651,030)
Financing	2		(1,244,022)		2,726,231
Increase in cash in the period			744 470		75,201
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		744,470		75,201	
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		3,893,886		(2,713,731)	
Change in net debt resulting from cash flows			4,638,356		(2,638,530)
Movement in net debt in the period			4,638,356		(2,638,530)
Net debt at 1st June			(4,381,372)		(1,742,842)
Net funds/(debt) at 31st May			256,984		(4,381,372)

The notes form part of these financial statements

Notes to the Cash Flow Statement
For The Year Ended 31st May 2007

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating profit	2,031,820	186,886
Depreciation charges	926,984	427,358
Increase in stocks	(979,199)	(56,574)
Decrease/(Increase) in debtors	1,528,315	(1 072,386)
(Decrease)/Increase in creditors	(441,039)	1,457,051
Net cash inflow from operating activities	3,066,881	942,335

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

	2007 £	2006 £
Returns on investments and servicing of finance		
Interest paid	(45,839)	(91,706)
Interest element of hire purchase payments	(3,829)	(14,526)
Net cash outflow for returns on investments and servicing of finance	(49,668)	(106,232)
Capital expenditure		
Purchase of tangible fixed assets	(1,041,577)	(3,524,833)
Sale of tangible fixed assets	12,856	37 700
Net cash outflow for capital expenditure	(1,028,721)	(3,487,133)
Financing		
New loans received / (repaid) in year	(2,250 000)	2,250,000
Loan repayments in year	-	(464,393)
Loan A Bartletts Ltd (Hoche Ltd 2006)	2,649,864	2,199,148
Repayment of other loans	(1,600,389)	(1,170,809)
Capital repayments in year	(43,497)	(87,715)
Net cash (outflow)/inflow from financing	(1,244,022)	2,726,231

The notes form part of these financial statements

Albert Bartlett and Sons (Boston) Ltd

Notes to the Cash Flow Statement
For The Year Ended 31st May 2007

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 6 06 £	Cash flow £	At 31 5 07 £
Net cash			
Cash at bank and in hand	10,365	246,619	256,984
Bank overdraft	(497,851)	497,851	-
	<u>(487,486)</u>	<u>744,470</u>	<u>256,984</u>
Debt			
Hire purchase	(43,497)	43,497	-
Debts falling due within one year	(1,800,389)	1,800,389	-
Debts falling due after one year	(2,050,000)	2,050,000	-
	<u>(3,893,886)</u>	<u>3,893,886</u>	<u>-</u>
Total	<u>(4,381,372)</u>	<u>4,638,356</u>	<u>256,984</u>

The notes form part of these financial statements

1 ACCOUNTING POLICIES

Accounting convention

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

Turnover

Revenue is recognised when the significant risks of ownership have been transferred to the buyer. A sales invoice is raised at the time when the goods are delivered to customers. Total turnover represents goods delivered to customers in the year. Trade discounts based on volumes sold are included in cost of sales.

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
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for wastage. Stock comprises of packaging materials, goods held for resale and produce in various stages of growth.

Deferred tax

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 that it is 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 tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2 STAFF COSTS

	2007	2006
	£	£
Wages and salaries	2,621,547	2,919,761
Social security costs	288,490	323,118
Other pension costs	11,256	11,317
	<u>2,921,293</u>	<u>3,254,196</u>

Notes to the Financial Statements - continued
For The Year Ended 31st May 2007

2 STAFF COSTS - continued

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

	2007	2006
Administration	-	26
Factory	-	149
	<u>-</u>	<u>175</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	2007 £	2006 £
Hire of plant and machinery	62,307	50,270
Depreciation - owned assets	926,983	427,358
Auditors' remuneration	9,000	8,400
	<u>-</u>	<u>9,138</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Bank interest	45,839	91,706
Hire purchase	3,829	2,167
	<u>49,668</u>	<u>93,873</u>

5 TAXATION

Analysis of the tax charge

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

	2007 £	2006 £
Current tax		
UK corporation tax	443,241	-
Deferred tax	273,176	17,520
Tax on profit on ordinary activities	<u>716,417</u>	<u>17,520</u>

UK corporation tax has been charged at 30%

Notes to the Financial Statements - continued
For The Year Ended 31st May 2007

5 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2007 £	2006 £
Profit on ordinary activities before tax	1,844,999	87,352
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 19%)	553,500	16,597
Effects of		
Expenses not deductible for tax	2,060	1,846
Depreciation for the period in excess of capital allowances	87,724	(125,095)
Losses carried forward used against current year profits	(200,043)	-
Current year losses carried forward	-	106,652
Current tax charge	443,241	-

6 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1st June 2006	3,306,066	3,632,698	291,136	61,740	7,291,640
Additions	10,979	1,056,398	(25,800)	-	1,041,577
Disposals	-	(298,094)	-	(44,740)	(342,834)
At 31st May 2007	3,317,045	4,391,002	265,336	17,000	7,990,383
DEPRECIATION					
At 1st June 2006	192,403	1,280,959	94,286	19,066	1,586,714
Charge for year	59,020	823,408	42,762	1,793	926,983
Eliminated on disposal	-	(183,588)	-	(9,236)	(192,824)
At 31st May 2007	251,423	1,920,779	137,048	11,623	2,320,873
NET BOOK VALUE					
At 31st May 2007	3,065,622	2,470,223	128,288	5,377	5,669,510
At 31st May 2006	3,113,663	2,351,739	196,850	42,674	5,704,926

7 STOCKS

	2007 £	2006 £
Stocks	1,295,420	465,867
Finished goods	149,646	-
	1,445,066	465,867

Notes to the Financial Statements - continued
For The Year Ended 31st May 2007

8 DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Trade debtors	447,979	1,567,319
Other debtors	-	564
VAT	130,785	334,224
Prepayments and accrued income	104,113	309,085
	<u>682,877</u>	<u>2,211,192</u>

9 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Other loans (see note 11)	-	1,600,389
Bank loans and overdrafts (see note 11)	-	697,851
Hire purchase contracts (see note 12)	-	43,497
Trade creditors	2,961,297	3,391,656
Amounts owed to group undertakings	2,649,864	-
Tax	443,241	-
Social security and other taxes	19,542	95,668
Wages control account	4,210	36,376
Accruals and deferred income	167,850	70,238
	<u>6,246,004</u>	<u>5,935,675</u>

10 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007	2006
	£	£
Bank loans (see note 11)	-	2,050,000

11 LOANS

An analysis of the maturity of loans is given below

	2007	2006
	£	£
Amounts falling due within one year or on demand		
Loan with Hoche Limited	-	1,600,389
Bank overdrafts	-	497,851
Bank loans	-	200,000
	<u>-</u>	<u>2,298,240</u>
Amounts falling due between one and two years		
Bank loans - 1-2 years	-	200,000
	<u>-</u>	<u>200,000</u>
Amounts falling due between two and five years		
Bank loans - 2-5 years	-	888,462
	<u>-</u>	<u>888,462</u>

Albert Bartlett and Sons (Boston) Ltd

Notes to the Financial Statements - continued
For The Year Ended 31st May 2007

11 LOANS - continued

	2007 £	2006 £
Amounts falling due in more than five years		
Repayable by instalments		
Bank loans > 5 yr by instal	-	961,538

12 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2007 £	2006 £
Net obligations repayable		
Within one year	-	43,497

13 PROVISIONS FOR LIABILITIES

	2007 £	2006 £
Deferred tax	320,573	47,397

		Deferred tax £
Balance at 1st June 2006		47,397
Accelerated Capital Allowances		273,176
Balance at 31st May 2007		320,573

14 CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid			2007 £	2006 £
Number	Class	Nominal value		
3,000	Ordinary	1	3,000	3,000

15 RESERVES

	Profit and loss account £
At 1st June 2006	356,278
Profit for the year	1,128,582
At 31st May 2007	1,484,860

16 ULTIMATE PARENT COMPANY

The company's immediate parent undertaking is Albert Bartlett and Sons (Airdrie) Limited, which owns 100% of the ordinary share capital. It has included the company in its group accounts, copies of which are available from its registered office at 251 Stirling Road, Airdrie, ML6 7SP.

The ultimate parent company is Macrocom (795) Limited which owns 100% of the share capital of Albert Bartlett and Sons (Airdrie) Limited.

The company is ultimately controlled by Mr A. Bartlett and Mr R. A. Bartlett, who are brothers.

17 RELATED PARTY DISCLOSURES

During the year Albert Bartlett and Sons (Boston) Limited supplied produce for Albert Bartlett and Sons (Airdrie) Limited amounting to £26,847,536. This produce was used to fulfil sales orders during the year and is included with sales for the year.

Included within creditors due within one year is an amount of £2,649,864 due to other group companies.

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit for the financial year	1,128,582	69,832
Net addition to shareholders' funds	1,128,582	69,832
Opening shareholders' funds	359,278	289,446
Closing shareholders' funds	1,487,860	359,278