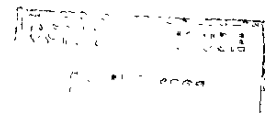


23123691

THE QUALITY OF LIFE (N.E.) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31 MARCH 1991



# THE QUALITY OF LIFE (N.E.) LIMITED

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1991

The directors present their report and the audited financial statements for the year ended 31 March 1991.

### REGISTERED NUMBER

2312369

### ACTIVITIES

The Quality of Life (N.E.) Limited is engaged as a food broker acting in the promotion and solicitation of customers for their clients' products.

### REVIEW OF THE BUSINESS

The directors regard the results of the company for the year as satisfactory.

### RESULTS FOR THE YEAR

The loss on ordinary activities before taxation was £70,158 (1990: £5,857). The directors do not recommend the payment of a dividend.

### TANGIBLE FIXED ASSETS

Movements in tangible fixed assets are given in Note 6 to the financial statements.

### DIRECTORS AND THEIR INTERESTS

The directors who served during the period and their interests in the share capital of the company, as defined by the Companies Act 1985, are set out below:

	Ordinary Shares of £ each	
	<u>1991</u>	<u>1990</u>
D Nicolson	-	-
JA Davidson	-	-
PA Davidson	50	50
SB Paul	-	-
	<u>50</u>	<u>50</u>

### FUTURE DEVELOPMENTS

At the period end management believe the company is in a position to take advantage of any future business opportunities that may arise.

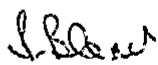
**THE QUALITY OF LIFE (N.E.) LIMITED**

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1991**

**AUDITORS**

A resolution to re-appoint Price Waterhouse as auditors will be proposed at the annual general meeting.

By Order of the Board



P BLAND

Secretary

4 July 1991

*Price Waterhouse*



**AUDITORS' REPORT TO THE MEMBERS OF  
THE QUALITY OF LIFE (N.E.) LIMITED**

We have audited the financial statements on pages 4 to 10 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1991 and of its loss and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Chartered Accountants

4 July 1991

**THE QUALITY OF LIFE (N.E.) LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1991**

			17 months ended 31 March 1990
	<u>Notes</u>	<u>1991</u>	
<b>TURNOVER</b>	1	394,121	289,490
Cost of sales		(341,415)	(235,185)
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		52,706	54,305
Administrative expenses		(115,622)	(59,334)
		<hr/>	<hr/>
<b>OPERATING LOSS</b>		(62,916)	(5,029)
Interest payable and similar charges	3	(7,242)	(875)
Interest receivable and similar income		-	47
		<hr/>	<hr/>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	(70,158)	(5,857)
Taxation	5	-	-
		<hr/>	<hr/>
<b>AMOUNT TRANSFERRED FROM RESERVES</b>	14	£(70,158)	£(5,857)
		<hr/>	<hr/>

**THE QUALITY OF LIFE (N.E.) LIMITED**

**BALANCE SHEET - 31 MARCH 1991**

	<u>Notes</u>	<u>1991</u>	<u>1990</u>
<b>FIXED ASSETS</b>			
Tangible assets	6	73,676	8,140
<b>CURRENT ASSETS</b>			
Stocks	7	14,838	8,903
Debtors	8	31,243	32,397
		<hr/>	<hr/>
		46,081	41,300
<b>CREDITORS (amounts falling due within one year)</b>	9	(188,862)	(55,197)
		<hr/>	<hr/>
<b>NET CURRENT LIABILITIES</b>		(142,781)	(13,897)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> (69,105) <hr/>	<hr/> (5,757) <hr/>
<b>CREDITORS (amounts falling due after more than one year)</b>	10	(6,810)	-
		<hr/>	<hr/>
		£(75,915)	£(5,757)
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	100	100
Profit and loss account	14	(76,015)	(5,857)
		<hr/>	<hr/>
		£(75,915)	£(5,757)
		<hr/>	<hr/>

The financial statements were approved by the Board of Directors on 4 July 1991.

D NICOLSON  
JA DAVIDSON

) Directors

**THE QUALITY OF LIFE (N.E.) LIMITED**

**STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE YEAR ENDED 31 MARCH 1991**

	<u>1991</u>	17 months ended 31 March <u>1990</u>
<b>SOURCES OF FUNDS</b>		
Loss on ordinary activities	(70,158)	(5,857)
Adjustment of items not involving the movement of funds:		
Depreciation	13,084	2,193
	<u>(57,074)</u>	<u>(3,664)</u>
<b>FUNDS FROM OTHER SOURCES</b>		
Issue of share capital	-	100
	<u>(57,074)</u>	<u>(3,564)</u>
<b>APPLICATION OF FUNDS</b>		
Purchase of fixed assets	(78,620)	(10,333)
	<u>(135,694)</u>	<u>(13,897)</u>
<b>MOVEMENT IN NET WORKING CAPITAL</b>		
Increase in stocks	(5,935)	(8,903)
Decrease/(increase) in debtors	1,154	(32,397)
Increase in creditors	29,075	33,245
	<u>£(111,400)</u>	<u>£(21,952)</u>

# THE QUALITY OF LIFE (N.E.) LIMITED

## NOTES TO THE ACCOUNTS - 31 MARCH 1991

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The accounts have been prepared in accordance with applicable accounting standards.

#### (b) Tangible fixed assets

Depreciation is provided on cost over the estimated useful lives of the assets at the following rates.

Motor vehicles	33 1/3% per annum, straight line
Office equipment	33 1/3% per annum, straight line

#### (c) Stocks

Stocks are valued at the lower of cost and net realisable value.

#### (d) Turnover

Turnover represents amounts invoiced to customers, excluding value added tax, on sales within the United Kingdom.

#### (e) Deferred taxation

Provision is made for deferred taxation on the liability basis only to the extent that there is a reasonable probability that such deferred taxation will be payable in the foreseeable future.

### 2 DIRECTORS' AND EMPLOYEES' EMOLUMENTS

	<u>1991</u>	<u>1990</u>
Directors' emoluments (including pension contribution):		
Other emoluments	<u>22,803</u>	<u>12,886</u>
	<u>£22,803</u>	<u>£12,886</u>
Chairman	<u>£-</u>	<u>£-</u>
Highest paid director	<u>£16,250</u>	<u>£12,000</u>



# THE QUALITY OF LIFE (N.E.) LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 2 DIRECTORS' AND EMPLOYEES' EMOLUMENTS(continued)

The number of other directors whose emoluments, excluding pension contributions, fell into the following categories were:

£Nil - £5,000	1	2
£5,000 - £10,000	1	-
Staff costs:		
	£	£
Wages and salaries	55,914	22,312
Social security costs	5,348	2,286

The average number of persons employed by the company including executive directors during the year was 6 (1990:3)

### 3 INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1991</u>	<u>1990</u>
Interest on bank loans and overdrafts repayable within five years	6,125	875
Hire purchase Interest	1,117	-
	<u>£7,242</u>	<u>£875</u>

### 4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is after charging:

	<u>1991</u>	<u>1990</u>
	£	£
Depreciation	13,084	2,193
Auditors' remuneration	1,200	700
Hire of plant and machinery	3,562	4,287

### 5 TAXATION

No provision is required for taxation due to the incidence of tax losses.

# THE QUALITY OF LIFE (N.E.) LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 6 TANGIBLE FIXED ASSETS

	Motor Vehicles	Office Equipment	Total
<b>COST</b>			
At 1 April 1990	9,520	813	10,333
Additions	66,440	12,180	78,620
	—	—	—
At 31 March 1991	75,960	12,993	88,953
	—	—	—
<b>ACCUMULATED DEPRECIATION</b>			
At 1 April 1990	1,785	408	2,193
Charge for period	12,160	924	13,084
	—	—	—
At 31 March 1991	13,945	1,332	15,277
	—	—	—
<b>NET BOOK AMOUNT</b>			
At 31 March 1991	£62,015	£11,661	£73,676
	—	—	—
At 31 March 1990	£7,735	£405	£8,140
	—	—	—

### 7 STOCKS

	1991	1990
Finished goods and goods for resale	£14,838	£8,903

### 8 DEBTORS

Trade debtors	27,570	26,715
Other debtors	1,507	4,190
Prepayments	2,066	1,392
Called up share capital not paid	100	100
	—	—
	£31,243	£32,397

### 9 CREDITORS (amounts falling due within one year)

Bank overdraft	133,352	21,952
Trade creditors	15,741	22,487
Taxation and social security	1,723	-
Amount owing to immediate parent undertaking	5,058	5,058
Accruals	1,773	700
Amounts owed to shareholder	5,000	5,000
Other amounts due to group undertakings	21,675	-
Hire purchase creditors	4,540	-
	—	—
	£188,862	£55,197

# THE QUALITY OF LIFE (N.E.) LIMITED

## NOTES TO THE ACCOUNTS (continued)

### 10 CREDITORS (amounts due in more than one year)

	<u>1991</u>	<u>1990</u>
Hire purchase creditors	£6,810	£-
	<u>          </u>	<u>          </u>

### 11 OPERATING LEASE COMMITMENTS

The company have commitments under operating leases as follows:

On leases expiring within 1 year	1,389	1,060
On leases expiring between 2 and 5 years	3,406	-
	<u>          </u>	<u>          </u>
	4,795	1,060
	<u>          </u>	<u>          </u>

### 12 PROVISION FOR LIABILITIES AND CHARGES

There is no potential liability to deferred tax. (1990:Nil)

### 13 CALLED UP SHARE CAPITAL

Authorised and allotted:

Ordinary shares of £1 each	£100	£100
	<u>          </u>	<u>          </u>

### 14 PROFIT AND LOSS ACCOUNT

At 1 April 1990	(5,857)
Loss for the year	(70,158)
	<u>          </u>
At 31 March 1991	£(76,015)
	<u>          </u>

### 15 CAPITAL COMMITMENTS

There were no capital commitments at 31 March 1991 (1990: NIL).

### 16 ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Derwent Valley (Sales) Limited and the ultimate parent undertaking is The Derwent Valley Food Group Limited, both companies being registered in England. the registered address of the ultimate parent undertaking is Medomsley Road, Consett, County Durham DH8 6TX. The ultimate parent undertaking has confirmed that it will continue to finance the company's activities.