



Matchproud Limited
Financial Statements
For the Year Ended
31 December 2002

Company Registration Number 2595939

BISHOP FLEMING
Chartered Accountants & Registered Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Matchproud Limited

Financial Statements

Year Ended 31 December 2002

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Matchproud Limited

Officers and Professional Advisers

The Board of Directors

J H Thomas
J M Thomas

Company Secretary

J M Thomas

Registered Office

Chy Nyverow
Newham Road
Truro
TR1 2DP

Auditors

Bishop Fleming
Chartered Accountants
& Registered Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Bankers

Barclays Bank plc
14 King Street
Truro
TR1 2RB

Solicitors

Bray & Dilks
33 & 34 Lemon Street
Truro
Cornwall
TR1 2NR

Matchproud Limited

The Directors' Report

Year Ended 31 December 2002

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

Principal activities

The principal activity of the company during the year was the retail and wholesale of health and wholefoods.

The directors and their interests in shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2002	At 1 January 2002
J H Thomas	75,000	75,000
J M Thomas	75,000	75,000

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

Matchproud Limited

The Directors' Report *(continued)*

Year Ended 31 December 2002

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:

Chy Nyverow
Newham Road
Truro
TR1 2DP

Signed by order of the directors

J M Thomas
Company Secretary

Approved by the directors on



7-3-03

Matchproud Limited**Independent Auditors' Report to the Shareholders****Year Ended 31 December 2002**

We have audited the financial statements on pages 5 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 7.

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 auditor's 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 the directors and the auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Directors' Responsibilities on page 2.

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 Directors' Report 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

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 the company's affairs as at 31 December 2002 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



BISHOP FLEMING
Chartered Accountants
& Registered Auditors

Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

7/3/03

Matchproud Limited**Profit and Loss Account****Year Ended 31 December 2002**

	Note	2002 £	2001 £
Turnover	2	1,281,097	1,230,727
Cost of sales		1,007,610	974,395
Gross profit		273,487	256,332
Administrative expenses		247,794	236,668
Operating profit	3	25,693	19,664
Interest payable		15,467	17,356
Profit on ordinary activities before taxation		10,226	2,308
Tax on profit on ordinary activities	5	2,454	1,512
Profit on ordinary activities after taxation		7,772	796
Equity dividends paid		10,560	13,080
Loss for the financial year		(2,788)	(12,284)

Matchproud Limited**Balance Sheet****31 December 2002**

	Note	2002 £	2001 £
Fixed assets			
Intangible assets	6	46,292	51,792
Tangible assets	7	164,814	167,701
		<u>211,106</u>	<u>219,493</u>
Current assets			
Stocks		154,503	152,761
Debtors	8	47,953	59,789
Cash in hand		25	30
		<u>202,481</u>	<u>212,580</u>
Creditors: Amounts falling due within one year	9	<u>177,194</u>	<u>186,991</u>
Net current assets		<u>25,287</u>	<u>25,589</u>
Total assets less current liabilities		<u>236,393</u>	<u>245,082</u>
Creditors: Amounts falling due after more than one year	10	<u>86,293</u>	<u>92,194</u>
		<u>150,100</u>	<u>152,888</u>
Capital and reserves			
Called-up equity share capital	11	150,000	150,000
Profit and Loss Account	12	100	2,888
Shareholders' funds		<u>150,100</u>	<u>152,888</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 7.3.03 and are signed on their behalf by:



J H Thomas
Director

Matchproud Limited

Notes to the Financial Statements

Year Ended 31 December 2002

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

(b) Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

(c) Amortisation

Amortisation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Goodwill - 20 years straight line

(d) Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Freehold Property	- 50 years straight line
Plant & Machinery	- 5 years straight line
Fixtures & Fittings	- 10% reducing balance
Motor Vehicles	- 20% reducing balance
Equipment	- 5 years straight line

(e) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

(f) Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

(g) Pension costs

Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK.

Matchproud Limited**Notes to the Financial Statements****Year Ended 31 December 2002****3. Operating profit**

Operating profit is stated after charging:

	2002	2001
	£	£
Amortisation	5,500	5,500
Depreciation	14,808	14,636
Loss on disposal of fixed assets	2,333	706
Auditors' fees	4,670	4,210

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Aggregate emoluments	33,443	31,315
Value of company pension contributions to money purchase schemes	4,800	4,800
	38,243	36,115

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001
	No.	No.
Money purchase schemes	2	2

5. Tax on profit on ordinary activities**Taxation**

	2002	2001
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 12.60% (2001 - 12.30%)	2,454	1,513
Over/under provision in prior year	—	(1)
Total current tax	2,454	1,512

Matchproud Limited

Notes to the Financial Statements

Year Ended 31 December 2002

6. Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2002 and 31 December 2002	<u>110,000</u>
Amortisation	
At 1 January 2002	58,208
Charge for the year	<u>5,500</u>
At 31 December 2002	<u>63,708</u>
Net book value	
At 31 December 2002	<u>46,292</u>
At 31 December 2001	<u>51,792</u>

7. Tangible fixed assets

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
Cost						
At 1 Jan 2002	119,124	6,030	36,338	75,774	6,271	243,537
Additions	—	—	747	12,877	1,980	15,604
Disposals	—	—	(1,500)	(16,547)	—	(18,047)
At 31 Dec 2002	<u>119,124</u>	<u>6,030</u>	<u>35,585</u>	<u>72,104</u>	<u>8,251</u>	<u>241,094</u>
Depreciation						
At 1 Jan 2002	2,382	3,842	23,751	42,198	3,663	75,836
Charge for the year	2,382	839	1,285	8,651	1,651	14,808
On disposals	—	—	(1,016)	(13,348)	—	(14,364)
At 31 Dec 2002	<u>4,764</u>	<u>4,681</u>	<u>24,020</u>	<u>37,501</u>	<u>5,314</u>	<u>76,280</u>
Net book value						
At 31 Dec 2002	<u>114,360</u>	<u>1,349</u>	<u>11,565</u>	<u>34,603</u>	<u>2,937</u>	<u>164,814</u>
At 31 Dec 2001	<u>116,742</u>	<u>2,188</u>	<u>12,587</u>	<u>33,576</u>	<u>2,608</u>	<u>167,701</u>

Hire purchase agreements

Included within the net book value of £164,814 is £29,622 (2001 - £27,733) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £7,406 (2001 - £6,933).

Matchproud Limited**Notes to the Financial Statements****Year Ended 31 December 2002****8. Debtors**

	2002	2001
	£	£
Trade debtors	45,464	56,810
Other debtors	2,489	2,979
	<u>47,953</u>	<u>59,789</u>

9. Creditors: Amounts falling due within one year

	2002	2001
	£	£
Bank loans and overdrafts	90,707	89,549
Trade creditors	56,697	72,432
Corporation tax	2,454	1,513
Other taxation and social security	5,740	5,884
Hire purchase agreements	8,041	6,824
Other creditors	13,555	10,789
	<u>177,194</u>	<u>186,991</u>

Included within the above amount is £7,140 owed to the directors of the company Mr and Mrs J H Thomas. At no time during the year did Mr or Mrs J H Thomas owe any amounts to the company.

Of the above, aggregate secured liabilities amount to £98,748 (2001: £96,373).

10. Creditors: Amounts falling due after more than one year

	2002	2001
	£	£
Bank loans and overdrafts	77,275	82,982
Hire purchase agreements	9,018	9,212
	<u>86,293</u>	<u>92,194</u>

Of the above, aggregate secured liabilities amount to £86,293 (2001: £92,194).

Included within creditors falling due after more than one year is an amount of £52,760 (2001 - £60,771) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

Matchproud Limited**Notes to the Financial Statements****Year Ended 31 December 2002****11. Share capital****Authorised share capital:**

	2002 £	2001 £
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>

Allotted, called up and fully paid:

	2002 £	2001 £
Ordinary share capital	<u>150,000</u>	<u>150,000</u>

12. Profit and loss account

	2002 £	2001 £
Balance brought forward	2,888	15,172
Accumulated loss for the financial year	<u>(2,788)</u>	<u>(12,284)</u>
Balance carried forward	<u>100</u>	<u>2,888</u>

13. Guarantees and other financial commitments

Mr and Mrs J H Thomas, the directors of the company, have each given a personal guarantee of £10,000 to the bank.

14. Controlling party

The company is under the ultimate control of Mr and Mrs J H Thomas, who own the entire issued share capital.