

**Canopus Investments Limited**  
**Abbreviated Accounts**  
**For**  
**31 December 2003**



**BISHOP FLEMING**  
Chartered Accountants & Registered Auditors  
Cobourg House  
Mayflower Street  
Plymouth  
PL1 1LG

# **Canopus Investments Limited**

## **Abbreviated Accounts**

**Year Ended 31 December 2003**

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**Canopus Investments Limited****Independent Auditors' Report to the Company****PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 December 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders 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 are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

**Other Information**

On 19 November 2004 we reported as auditors to the members of the company on the financial statements prepared under Section 226 of the Companies Act 1985 and our report included the following paragraph:

**Fundamental uncertainty**

In forming our opinion we have considered the adequacy of the disclosures made in respect of the fact that the financial statements have been prepared on a going concern basis which assumes the continued support of the companies creditors. Details of the circumstances relating to this fundamental uncertainty are described in note 8 (note 7 of the abbreviated accounts). Should the company cease to be a going concern certain assets and liabilities would need to be restated to realisable value. Our opinion is not qualified in this respect.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



BISHOP FLEMING  
Chartered Accountants  
& Registered Auditors

Cobourg House  
Mayflower Street  
Plymouth  
PL1 1LG

7 December 2004

**Canopus Investments Limited****Abbreviated Balance Sheet****31 December 2003**

	Note	2003 £	2002 £
<b>Fixed assets</b>			
Investments	2	1,413,985	1,413,985
<b>Creditors: Amounts falling due within one year</b>	3	613,494	511,167
<b>Total assets less current liabilities</b>		800,491	902,818
<b>Creditors: Amounts falling due after more than one year</b>	4	845,399	918,516
		<u>(44,908)</u>	<u>(15,698)</u>
<b>Capital and reserves</b>			
Called-up equity share capital	6	20,000	20,000
Profit and loss account		<u>(64,908)</u>	<u>(35,698)</u>
<b>Deficiency</b>		<u>(44,908)</u>	<u>(15,698)</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on behalf by:

and are signed on their

N G Hurst  
Director

*NGH* 30/11/04

# Canopus Investments Limited

## Notes to the Abbreviated Accounts

Year Ended 31 December 2003

### 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) Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

#### (c) Fixed assets

All fixed assets are initially recorded at cost.

#### (d) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### (e) Investments

Investments are stated at cost less any permanent diminution in value.

### 2. Fixed assets

	Investments £
<b>Cost</b>	
At 1 January 2003 and 31 December 2003	<u>1,413,985</u>
<b>Depreciation</b>	<u>—</u>
<b>Net book value</b>	
At 31 December 2003	<u>1,413,985</u>
At 31 December 2002	<u>1,413,985</u>

The company owns 100% of the issued share capital of Burts Potato Chips Limited, a company incorporated in England and whose principal activity during the period was the manufacture of potato crisps. As at 31 December 2003, the aggregate capital and reserves for this company were £235,199 after making losses before taxation of £69,742.

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

# Canopus Investments Limited

## Notes to the Abbreviated Accounts

Year Ended 31 December 2003

### 3. Creditors: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2003	2002
	£	£
Bank loans and overdrafts	<u>85,440</u>	<u>84,969</u>

### 4. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2003	2002
	£	£
Bank loans and overdrafts	<u>242,413</u>	<u>290,031</u>

### 5. Contingencies

In December 2001 the company contracted to issue "B" shares to Messrs R Burt and I John, being directors of Burts Potato Chips Limited. The terms were such that Messrs Burt and John were to be allotted "B" shares in Canopus Investments Limited equivalent to 1% of the nominal value of the issued "A" shares for each year that an employment contract continued, up to a maximum of 5 years. No such allotment has been made and the definitions of "A" and "B" shares are unclear and remain to be resolved.

### 6. Share capital

#### Authorised share capital:

	2003	2002
	£	£
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

#### Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

**Canopus Investments Limited****Notes to the Abbreviated Accounts****Year Ended 31 December 2003**

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**7. Going concern**

The financial statements have been prepared on a going concern basis, even though the company had net liabilities at 31 December 2003, and incurred a loss in the year then ended.

The company is reliant on funds from its subsidiary undertaking, Burts Potato Chips Limited, to enable it to service its debts. The net assets and reserves of Burts Potato Chips Limited are disclosed in note 2.

During the year additional funds of £100,000 have been lent to the company by two of the directors.

Reproduced below is the going concern note to the financial statements of Burts Potato Chips Limited for the year ended 31 December 2003.

"The financial statements have been prepared on a going concern basis, even though the company had net current liabilities at 31 December 2003, and incurred a loss in the year then ended.

In the opinion of the directors, the going concern basis is appropriate for the following reasons:

a) Management accounts indicate that the company has returned to profitability in the current financial year.

b) Since the year end the company has carefully reviewed its operations and identified and actioned a number of areas of costs savings.

c) Significant sales growth is anticipated over the next three financial years which should lead to greatly improved net profits.

d) The company is reliant on the continued financial support of its creditors, in particular its bankers, invoice discounting providers, directors and shareholders. In the opinion of the directors this support is ongoing.

e) Since the year end a further £100,000 has been injected from the small firms loan guarantee scheme."