

Company Number 2750549

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2001



PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2001

The directors present their report and the financial statements for the year ended 31 March 2001.

Statement of 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 and of the profit or loss of the company for that period. In preparing those 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;
- 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.

Principal activities

The company's principal activity continues to be that of the processing and sale of cockle meat.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

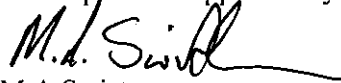
	Ordinary shares of £1 each	
	<u>31/3/01</u>	<u>1/4/00</u>
M A Swistun	22,571	22,571
B Preston	22,571	22,571
C J MacDonald	-	-

Auditors

The auditors, Peter Grigg & Company, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 31 May 2001 and signed on its behalf.

X 
M A Swistun
Director

X

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

We have audited the financial statements on pages 3 to 9 which have been prepared in accordance with the Financial Standard for Smaller Entities under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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.

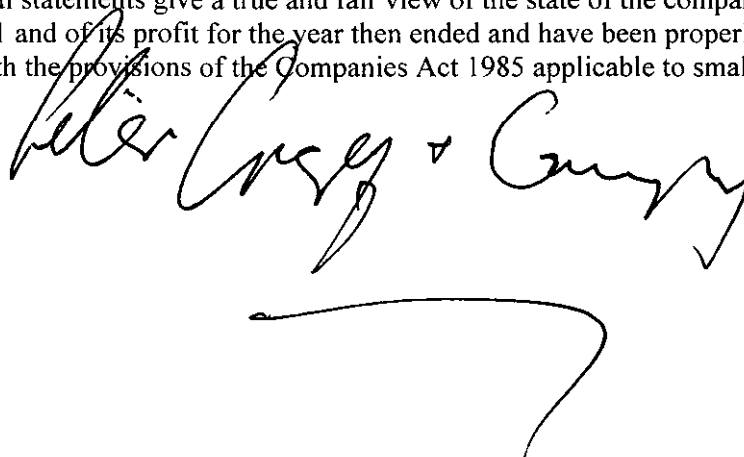
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Peter Grigg & Company
Accent House
New Mill Court
Enterprise Park
Swansea
SA7 9FG

31 May 2001

A large, stylized handwritten signature in black ink, likely belonging to a partner or director of the auditing firm, is written over the signature block and extends downwards.

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2001

	Note	£	£
TURNOVER	1,2	1,108,578	1,012,282
Cost of sales		<u>(827,229)</u>	<u>(1,011,745)</u>
GROSS PROFIT		281,349	537
Administrative expenses		(169,806)	(187,259)
Other operating income		<u>16,487</u>	<u>16,585</u>
OPERATING PROFIT/(LOSS)	3	128,030	(170,137)
Interest payable		<u>(8,315)</u>	<u>(10,087)</u>
RETAINED PROFIT/(LOSS) FOR THE YEAR		119,715	(180,224)
LOSS BROUGHT FORWARD		<u>(262,041)</u>	<u>(81,817)</u>
LOSS CARRIED FORWARD		<u>(142,326)</u>	<u>(262,041)</u>

The notes on pages 5 to 9 form part of these financial statements.

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2001

	Note	31 March		31 March	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	4		562,375		570,675
CURRENT ASSETS					
Stocks		12,437		17,542	
Debtors	5	53,782		51,924	
Cash in Hand		<u>118</u>		<u>(102)</u>	
		66,337		69,364	
CREDITORS: amounts falling due within one year	6	<u>(324,298)</u>		<u>(455,340)</u>	
NET CURRENT LIABILITIES			<u>(257,961)</u>		<u>(385,976)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			304,414		184,699
CREDITORS: amounts falling Due after more than one year	7		<u>(228,343)</u>		<u>(228,343)</u>
NET ASSETS/(LIABILITIES)			<u>76,071</u>		<u>(43,644)</u>
CAPITAL AND RESERVES					
Called up share capital	8		218,397		218,397
Profit and loss account			<u>(142,326)</u>		<u>(262,041)</u>
SHAREHOLDERS' FUNDS			<u>76,071</u>		<u>(43,644)</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the board on 31 May 2001 and signed on its behalf.

B Preston

B Preston

Director

The notes on pages 5 to 9 form part of these financial statements.

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and include the results of the company's operations which are described in the Directors Report.

1.2 Cash Flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under Financial Reporting Standard 1.

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of value added tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Leasehold buildings	-	Over the term of the lease which has 94 years to run.
Plant & machinery	- 20%	on cost
Motor vehicles	- 20%	on cost
Fixtures & fittings	- 20%	on cost

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

1.7 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.8 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 ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.9 Deferred taxation

Provision is made for taxation deferred as a result of material timing between the incidence of income and expenditure for taxation and accounts proposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.10 Pensions

Contribution payments to certain employees personal pension plans are charged to the profit and loss when incurred.

1.11 Grants

Grant income is released to the profit and loss account over the same period as the assets are depreciated.

2. TURNOVER

53.29% of the company's turnover (2000 – 33.49%) is attributable to geographical markets outside the United Kingdom.

3. OPERATING PROFIT/(LOSS)

The operating profit/(Loss) is stated after charging:

	£	£
Depreciation of tangible fixed assets		
- owned by the company	73,865	63,264
- held under finance leases and hire purchase contracts		3,725
Auditors' remuneration	3,500	3,500
Directors' emoluments	27,384	27,384
Pension costs	9,384	9,384
Foreign exchange differences	<u>2,738</u>	<u>876</u>

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

4. TANGIBLE FIXED ASSETS

	Long Term Leasehold & Buildings	Plant & Machinery	Fixtures & Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2000	293,969	345,478	70,743	31,997	742,187
Additions	-	53,257	2,120	24,034	79,411
Disposals	-	(31,075)	-	-	(31,075)
At 31 March 2001	<u>293,969</u>	<u>367,660</u>	<u>72,863</u>	<u>56,031</u>	<u>790,523</u>
Depreciation					
At 1 April 2000	13,420	95,303	44,442	18,347	171,512
Charge for the year	2,991	48,956	11,977	9,941	73,865
On disposals	-	(17,229)	-	-	(17,229)
At 31 March 2001	<u>16,411</u>	<u>127,030</u>	<u>56,419</u>	<u>28,288</u>	<u>228,148</u>
Net Book Value					
At 31 March 2001	<u>277,558</u>	<u>240,630</u>	<u>16,444</u>	<u>27,743</u>	<u>562,375</u>
At 31 March 2000	<u>280,549</u>	<u>250,175</u>	<u>26,301</u>	<u>13,650</u>	<u>570,675</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	£	£
Plant and Machinery	<u>55,175</u>	<u>34,500</u>

5. DEBTORS

	£	£
Due within one year		
Trade debtors	31,383	29,466
Other debtors	<u>22,399</u>	<u>22,458</u>
	<u>53,782</u>	<u>51,924</u>

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

6. CREDITORS:

Amounts falling due within one year

	£	£
Bank loans and overdrafts	59,727	111,309
Net obligations under finance lease and hire purchase contracts	34,625	5,370
Trade creditors	38,749	56,453
Other creditors	<u>191,197</u>	<u>282,208</u>
	<u>324,298</u>	<u>455,340</u>

Included within other creditors is an amount of £2,383 (2000 - £4,741) relating to social security and other taxes.

National Westminster Bank plc., hold a mortgage debenture dated 24th August 1995, over the company's fixed and floating assets including a legal mortgage over the company's premises at Unit 28, Penclawdd Industrial Estate, Crofty, Swansea.

7. CREDITORS

Amounts falling due after more than one year

	£	£
Bank loans and overdrafts	<u>228,343</u>	<u>228,343</u>
Included within the above are amounts falling due as follows:		
In 1 – 5 years:		
Loan instalments	<u>228,343</u>	<u>228,343</u>

8. CALLED UP SHARE CAPITAL

	£	£
Authorised		
500,000 Ordinary share of £1.00 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid		
218,397 Ordinary shares of £1.00 each	<u>218,397</u>	<u>218,397</u>

9. OTHER COMMITMENTS

At 31 March 2001 the company had annual commitments under non-cancellable operating leases as follows:

	£	£
Expiry date:		
Within one year	7,902	5,805
Between 2 and 5 years	<u>5,493</u>	<u>5,805</u>

PENCLAWDD SHELLFISH PROCESSING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

10. TRANSACTIONS WITH DIRECTORS

The following directors engaged in business with the company during the period on normal commercial terms.

Mr B Preston sold shellfish to the company amounting to £19,443. He has also loaned the company £6,398 which is still outstanding at the balance sheet date.

Mr C Macdonald is a director of both Wirral Seafoods Limited and Quality Seafoods Limited.

At the balance sheet date Wirral Seafoods Limited was a debtor of the company for £17,475 and the company was a creditor of Wirral Seafoods Limited for £9,821. At the balance sheet date, Qualify Seafoods Limited was a debtor of the company for £726, and the company was a creditor of Quality Seafoods Limited for £12,330.