

2841384

KS FRUIT WASHERS LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

28 FEBRUARY 2001



KS FRUIT WASHERS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
for the year ended 28 February 2001

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KS FRUIT WASHERS LIMITED

COMPANY INFORMATION

DIRECTORS

Maurice Joseph Kelly
John Colman Scott

SECRETARY

John Colman Scott

REGISTERED OFFICE

25 Westbrook Road,
Trafford Park,
Manchester M17 1AY,
England.

REGISTERED NUMBER OF INCORPORATION

2841384

SOLICITORS

Peter H. Jones and Company,
Goss Street,
Roscommon.

BANKERS

Bank of Ireland,
Bank House,
575 Barlow Moore Road,
Chorlton-cum-Hardy,
Manchester M21 8AE,
England.

AUDITORS

Ernst & Young,
Ernst & Young Building,
Harcourt Centre,
Harcourt Street,
Dublin 2.

DIRECTORS' REPORT

for the year ended 28 February 2001

The directors present herewith their report and audited financial statements for the year ended 28 February 2001.

PRINCIPAL ACTIVITY

The company is engaged in the processing of foodstuffs.

RESULTS FOR THE YEAR AND STATE OF AFFAIRS AT 28 FEBRUARY 2001

The profit and loss account for the year ended 28 February 2001 and the balance sheet at that date are set out on pages 6 to 12. The profit on ordinary activities for the year before taxation amounted to Stg£461 compared with a profit of Stg£4,494 in the previous year.

DIVIDENDS

The directors of the company do not propose the payment of a dividend for the year.

DIRECTORS

The present directors are as listed on page 2 and, unless otherwise indicated, have served throughout the year.

DIRECTORS' INTERESTS IN SHARES

The interests of the directors and company secretary in the share capital of the company at the beginning and end of the year are as follows:

	<i>Number of ordinary shares 2001</i>	<i>Number of ordinary shares 2001</i>
Maurice Joseph Kelly	15,000	15,000
John Colman Scott	23,667	23,667

There were no changes in shareholdings between 28 February 2001 and the date of signing the financial statements.

IMPORTANT EVENTS SINCE THE YEAR END

There were no important events since the year end.

DIRECTORS' REPORT

for the year ended 28 February 2001 (Continued)

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF
THE FINANCIAL STATEMENTS**

United Kingdom 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; and
- 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 books of account which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in the United Kingdom and comply with the provisions of 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.


AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the annual general meeting.

On behalf of the Directors

Directors

Date:


15/11/01

**AUDITORS' REPORT TO THE MEMBERS OF
KS FRUIT WASHERS LIMITED**

We have audited the financial statements on pages 6 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, by the Auditing Practices Board and by our profession's ethical guidance.

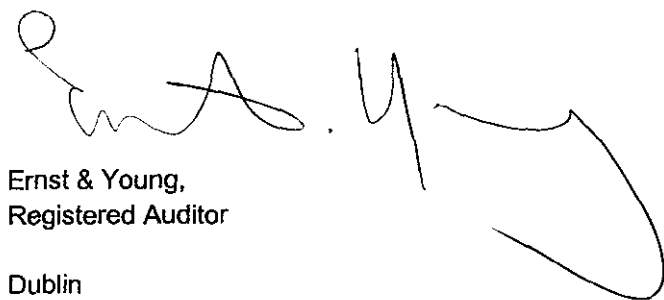
Basis of audit opinion

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 affairs of the company as at 28 February 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act, 1985.



Ernst & Young,
Registered Auditor

Dublin

21 November 2001

KS FRUIT WASHERS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 28 February 2001

	Note	2001 Stg£	2000 Stg£
Turnover	2	204,565	271,362
Cost of sales		(157,115)	(218,887)
Gross profit		47,450	52,475
Administrative expenses		(46,916)	(47,859)
Operating profit		534	4,616
Interest payable and similar charges	3	(73)	(122)
Profit on ordinary activities before taxation	4	461	4,494
Tax credit/(charge) on profit on ordinary activities	5	2,599	(2,500)
Retained profit for the financial year		3,060	1,994
Profit brought forward at beginning of year		8,362	6,368
Profit carried forward at end of year		11,422	8,362

There are no recognised gains or losses in either year other than the profit attributable to shareholders of the company.

15/11/01

Colman Scott
[Signature]

KS FRUIT WASHERS LIMITED

BALANCE SHEET

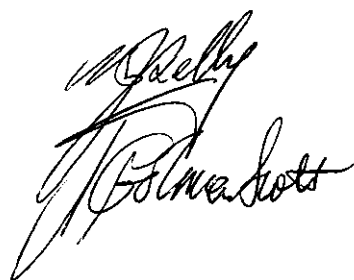
at 28 February 2001

ASSETS EMPLOYED	Note	2001 Stg£	2000 Stg£
FIXED ASSETS			
Tangible assets	6	17,214	23,433
CURRENT ASSETS			
Stocks	7	9,766	1,946
Debtors	8	47,279	49,594
Cash at bank and in hand		11,159	2,124
		68,204	53,664
CREDITORS (amounts falling due within one year)	9	(33,829)	(27,068)
NET CURRENT ASSETS		34,375	26,596
TOTAL ASSETS LESS CURRENT LIABILITIES		51,589	50,029
GOVERNMENT GRANT	10	(1,500)	(3,000)
		50,089	47,029
FINANCED BY			
CAPITAL AND RESERVES			
Called up share capital	11	38,667	38,667
Profit and loss account		11,422	8,362
Shareholders' funds (all equity interests)	12	50,089	47,029

Approved by the Board on

15/11/01

Directors



NOTES TO THE FINANCIAL STATEMENTS

28 February 2001

1. ACCOUNTING POLICIES

(a) *Accounting convention*

The financial statements are prepared under the historical cost convention.

(b) *Depreciation*

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	25% straight line
Motor vehicles	20% straight line
Office equipment	25% straight line

(c) *Stocks*

Stocks are stated at the lower of cost and net realisable value. Cost includes expenditure which has been incurred in the normal course of business in bringing the stocks to their present location and condition.

(d) *Government grants*

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

(e) *Cash flow statement*

Financial Reporting Standard Number 1 (Revised 1996), "Cash Flow Statements", exempts undertakings which qualify as small undertakings under company legislation from the requirement to present a cash flow statement. The company has availed of this exemption.

2. TURNOVER

Turnover, all of which arises from continuing operations, represents amounts invoiced by the company in respect of goods and services, excluding value added tax. All the turnover related to sales in the English market.

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 Stg£	2000 Stg£
Bank loans and overdraft interest	73	122

NOTES TO THE FINANCIAL STATEMENTS

28 February 2001 (Continued)

4.	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2001 Stg£	2000 Stg£
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The profit on ordinary activities before taxation, all of which arises from continuing operations, is stated after charging:

Auditors' remuneration	770	600
Depreciation	10,363	10,859

5.	TAX ON PROFIT ON ORDINARY ACTIVITIES	2001 Stg£	2000 Stg£
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Taxation based on the profit for the year:

Corporation tax	-	2,500
Prior period adjustments	(2,599)	-
	(2,599)	2,500

6.	TANGIBLE FIXED ASSETS	<i>Fixtures, fittings and equipment Stg£</i>	<i>Computer equipment Stg£</i>	<i>Office equipment Stg£</i>	<i>Total Stg£</i>
	<i>Cost</i>				
	At 1 March 2000	111,459	1,529	610	113,598
	Additions during year	4,144	—	—	4,144
		<hr/>	<hr/>	<hr/>	<hr/>
	At 28 February 2001	115,603	1,529	610	117,742
		<hr/>	<hr/>	<hr/>	<hr/>
	<i>Depreciation</i>				
	At 1 March 2000	88,790	765	610	90,165
	Charged in year	9,981	381	—	10,363
		<hr/>	<hr/>	<hr/>	<hr/>
	At 28 February 2001	98,771	1,147	—	100,528
		<hr/>	<hr/>	<hr/>	<hr/>
	<i>Net book amounts</i>				
	At 28 February 2001	16,832	382	—	17,214
		<hr/>	<hr/>	<hr/>	<hr/>
	At 29 February 2000	22,669	764	—	23,433

NOTES TO THE FINANCIAL STATEMENTS

28 February 2001 (Continued)

7.	STOCKS	2001 Stg£	2000 Stg£
	Packing materials	9,766	1,946
	The replacement cost of stocks does not differ significantly from the figures shown above.		
8.	DEBTORS	2001 Stg£	2000 Stg£
	<i>Amounts falling due within one year</i>		
	Trade debtors	45,297	35,117
	Prepayments and accrued income	1,982	14,477
		47,279	49,594
9.	CREDITORS (amounts falling due within one year)	2001 Stg£	2000 Stg£
	Trade creditors	4,938	8,013
	Corporation tax	-	2,500
	Other taxes and social security costs	8,149	10,149
	Accruals and deferred income	20,742	6,406
		33,829	27,068
10.	GOVERNMENT GRANTS	2001 Stg£	2000 Stg£
	At beginning of year	3,000	4,500
	Amortised in year	(1,500)	(1,500)
	At end of year	1,500	3,000
11.	CALLED UP SHARE CAPITAL	2001 Stg£	2000 Stg£
	<i>Authorised</i>		
	Ordinary shares of Stg£1 each	100,000	100,000
	<i>Allotted, called up and fully paid</i>		
	Ordinary shares of Stg£1 each	38,667	38,667

NOTES TO THE FINANCIAL STATEMENTS

28 February 2001 (Continued)

12.	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2001 Stg£	2000 Stg£
	Shareholders' funds at beginning of year	47,029	45,035
	Profit for the financial year	3,060	1,994
	Shareholders' funds at end of year	<u>50,089</u>	<u>47,029</u>

13. DIRECTORS' INTERESTS IN SHARES

The interests of the directors and company secretary in the share capital of the company at the beginning and end of the year are as follows:

	Number of ordinary shares 2001	Number of ordinary shares 2001
Maurice Joseph Kelly	15,000	15,000
John Colman Scott	23,667	23,667

There were no changes in shareholdings between 28 February 2001 and the date of signing the financial statements.

14. CONTROLLING PARTIES AND RELATED PARTY TRANSACTIONS

During the year, the company sold services to National Food Imports Limited totalling Stg£201,897. This company is related by virtue of common directors and shareholders. At the year end, the balance owed by National Food Imports Limited to KS Fruit Washers Limited was Stg£29,163.