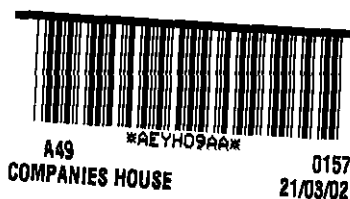


**KEVLEY MARKETING LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MAY 2001**

*Companies House*



**Leadermans**

**Chartered Certified Accountants & Registered Auditors**

**St. Michaels House, Norton Way South, Letchworth, Hertfordshire, SG6 1NY**

# KEVLEY MARKETING LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr K J Curson Mr A Baldry
<b>Secretary</b>	Mr A Baldry
<b>Company number</b>	2846259
<b>Registered office</b>	Baptist Road Upwell Wisbech Cambs. PE14 9EY
<b>Auditors</b>	Leardmans St. Michaels House Norton Way South Letchworth Hertfordshire SG6 1NY
<b>Bankers</b>	Barclays Bank PLC Old Market Wisbech Cambs. PE13 1NN

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# KEVLEY MARKETING LIMITED

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# KEYLEY MARKETING LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MAY 2001

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The directors present their report and the audited financial statements for the company for the year ended 31st May 2001.

### Principal activities

The company's principal activity during the year was the same as in previous years, namely wholesale produce merchants.

### Directors and their interests

The directors who held office during the year and their beneficial interests in the company's issued share capital are given below:

Name of director	Share type	At 31st May 2001	At 1st June 2000
Mr K J Curson	Ordinary shares of £1 each	60	60
Mr A Baldry	Ordinary shares of £1 each	40	40

### 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 for that year. 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;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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 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.

# KEYLEY MARKETING LIMITED

## DIRECTORS' REPORT

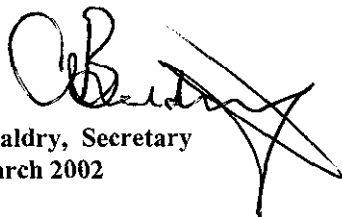
FOR THE YEAR ENDED 31ST MAY 2001

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### Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

By order of the Board



Mr A Baldry, Secretary  
21st March 2002

Baptist Road  
Upwell  
Wisbech  
Cambs.  
PE14 9EY

# **AUDITORS' REPORT TO THE SHAREHOLDERS OF KEVLEY MARKETING LIMITED**

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We have audited the financial statements on pages 4 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

## **Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and 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 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 the 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 31st May 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Leadermans**  
**Chartered Certified Accountants & Registered Auditors**

**St. Michaels House**  
**Norton Way South**  
**Letchworth**  
**Hertfordshire**  
**SG6 1NY**

**Date: 21st March 2002**

# KEVLEY MARKETING LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 2001

	Notes	2001 £	2000 £
<b>Turnover</b>	2	2,046,064	1,731,227
Cost of sales		(1,848,878)	(1,622,058)
<b>Gross profit</b>		197,186	109,169
Administrative expenses		(129,302)	(156,986)
Other operating income		9,721	23,197
<b>Operating profit/loss</b>	3	77,605	(24,620)
Interest receivable		-	241
Interest payable and similar charges		(3,521)	(8,408)
<b>Profit/Loss on ordinary activities before taxation</b>		74,084	(32,787)
Tax on profit/loss on ordinary activities	5	(9,905)	(134)
<b>Profit/Loss for the financial year</b>		64,179	(32,921)
Dividends	6	(50,000)	-
<b>Retained profit/loss for the year</b>	14	14,179	(32,921)

There were no recognised gains or losses for 2001 or 2000 other than those included in the profit and loss account.

# KEVLEY MARKETING LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31ST MAY 2001

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	2001	2000
	£	£
<b>Statement of total recognised gains and losses</b>		
Profit/Loss for the financial year	64,179	(32,921)
Unrealised surplus on revaluations of freehold land and buildings	77,723	-
Total recognised gains relating to the year	<u>141,902</u>	<u>(32,921)</u>



# KEVLEY MARKETING LIMITED

## BALANCE SHEET

AS AT 31ST MAY 2001

	Notes	£	2001 £	£	2000 £
<b>Fixed assets</b>					
Intangible assets	7		399		399
Tangible assets	8		261,660		198,018
			<u>262,059</u>		<u>198,417</u>
<b>Current assets</b>					
Stock		17,658		15,940	
Debtors	9	407,352		269,682	
			<u>425,010</u>	<u>285,622</u>	
<b>Creditors: amounts falling due within one year</b>	10	(547,343)		(423,797)	
<b>Net current liabilities</b>			<u>(122,333)</u>		<u>(138,175)</u>
<b>Total assets less current liabilities</b>			<u>139,726</u>		<u>60,242</u>
<b>Creditors: amounts falling due after more than one year</b>	11		(4,956)		(17,828)
<b>Provisions for liabilities and charges</b>					
Deferred taxation	12		<u>(10,817)</u>		<u>(10,363)</u>
			<u>123,953</u>		<u>32,051</u>
<b>Capital and reserves</b>					
Share capital	13		100		100
Revaluation reserve	14		77,723		-
Profit and loss account	14		46,130		31,951
<b>Shareholders' funds</b>			<u>123,953</u>		<u>32,051</u>

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

These financial statements were approved by the board on 21st March 2002 and signed on its behalf by:

  
Mr K J Curson  
Director

# KEYLEY MARKETING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2001

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### 1 Accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

#### Cash flow statement

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

#### Tangible fixed assets and depreciation

Plant and machinery are stated at cost. Land and buildings are initially stated at cost and subsequently remeasured at open market value. Values are determined by an experienced valuer every five years and in intervening years where it is likely that there has been a material change in value. Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, with the exception of freehold land, by reducing balance method over their expected useful lives:

Improvements to rented property	- 20%
Plant and machinery	- 20%
Motor vehicles	- 20%
Office, packhouse, cold store and equipment	- 10% and 20%

#### Stocks

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

#### Deferred taxation

Deferred taxation is provided at 20% (2000: 20%) on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

#### Hire purchase and leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

### 2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

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# KEVLEY MARKETING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2001

### 3 Operating profit

*The operating profit is stated after charging or crediting:*

	2001	2000
	£	£
Depreciation of tangible fixed assets:		
-owned assets	13,358	14,320
-assets held under finance leases and hire purchase	5,365	6,706
Auditors' remuneration	2,500	1,500

### 4 Directors' remuneration

	2001	2000
	£	£
Aggregate emoluments	35,100	35,775

### 5 Taxation

	2001	2000
	£	£
Based on the profit/loss for the year:		
UK corporation tax at 20% (2000: Nil%)	9,451	-
Deferred tax charge	454	134
	9,905	134

### 6 Dividends

	2001	2000
	£	£
Ordinary dividends - paid	50,000	-

### 7 Intangible fixed assets

	Personalised vehicle registration number	Total
	£	£
Cost		
At 1st June 2000	399	399
At 31st May 2001	399	399
Net book value		
At 31st May 2001	399	399
At 31st May 2000	399	399

# KEVLEY MARKETING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2001

### 8 Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
Cost or valuation	£	£	£	£	£
At 1st June 2000	67,638	169,340	11,500	19,099	267,577
Additions	-	3,600	-	1,042	4,642
Revaluations	77,723	-	-	-	77,723
<b>At 31st May 2001</b>	<b>145,361</b>	<b>172,940</b>	<b>11,500</b>	<b>20,141</b>	<b>349,942</b>
<b>Depreciation</b>					
At 1st June 2000	2,008	55,708	4,140	7,703	69,559
Charge for the year	98	15,232	1,472	1,921	18,723
<b>At 31st May 2001</b>	<b>2,106</b>	<b>70,940</b>	<b>5,612</b>	<b>9,624</b>	<b>88,282</b>
<b>Net book value</b>					
<b>At 31st May 2001</b>	<b>143,255</b>	<b>102,000</b>	<b>5,888</b>	<b>10,517</b>	<b>261,660</b>
<i>At 31st May 2000</i>	<i>65,630</i>	<i>113,632</i>	<i>7,360</i>	<i>11,396</i>	<i>198,018</i>

Assets held under finance leases and hire purchase originally cost £39,450 (2000: £39,450) and have a net book value of £21,459 (2000: £26,824). Depreciation charged for the year was £5,365 (2000: £6,706).

Freehold land and buildings were revalued at 31st May 2001 on the basis of market valuation for existing use by Mr J R Major BSc FRICS FAAV a Chartered Surveyor of Brown & Co.

### 9 Debtors

	2001	2000
	£	£
Trade debtors	407,056	264,388
Other debtors	296	5,294
	<b>407,352</b>	<b>269,682</b>

# KEVLEY MARKETING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2001

<b>10</b>	<b>Creditors: amounts falling due within one year</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Bank loan and overdraft	48,500	80,976
	Obligations under hire purchase and finance lease	7,464	7,464
	Trade creditors	77,840	97,983
	Amounts owed to related party	373,956	173,046
	Other creditors	19,999	62,383
	Directors' loans	19,584	1,945
		<u>547,343</u>	<u>423,797</u>

The bank borrowings are secured by a charge held by the bank over the freehold land shown in the accounts which is situated at Baptist Road, Upwell, Cambridgeshire.

'Other creditors' include £12,142 (2000: £40,108) in respect of taxation and social security.

<b>11</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	Bank loan	-	5,408
	Obligations under hire purchase and finance lease	4,956	12,420
		<u>4,956</u>	<u>17,828</u>

### 12 Deferred taxation

The movements in deferred taxation during the current and previous years are as follows:

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
At 1st June 2000	10,363	10,229
Movement in the year	454	134
At 31st May 2001	<u>10,817</u>	<u>10,363</u>

<b>13</b>	<b>Share capital</b>	<b>2001</b>	<b>2000</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	100 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>
	<b>Allotted</b>		
	100 Allotted, called up and fully paid ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

# KEVLEY MARKETING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2001

### 14 Reserves

	Revaluation reserve	Profit and loss account
	£	£
At 1st June 1999	-	64,872
Loss for the year	-	(32,921)
At 1st June 2000	-	31,951
Profit for the year	-	14,179
Transfers on revaluation	77,723	-
At 31st May 2001	77,723	46,130

### 15 Operating lease commitments

At 31st May 2001 the company had annual commitments under non-cancellable operating leases as set out below:

	2001
	£
Operating leases which expire:	
Within one year	450
	450

### 16 Transactions with directors

The company occupies certain property and buildings that are owned by K J Curson Esq. No rent is payable for this tenancy.

### 17 Related parties

During the year the company purchased goods in the normal course of business from K J Curson Farm, a partnership in which K J Curson has an interest, at a cost of £1,198,312 (2000: £877,918). The company also rendered services in the normal course of business to K J Curson Farm, at a cost of £2,699 (2000: £11,543). Amounts owed to K J Curson Farm amounted to £373,956 at 31st May 2001 (2000: £173,046) as disclosed in note 10.

# KEVLEY MARKETING LIMITED

## MANAGEMENT PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 2001

	£	2001 £	£	2000 £
<b>Turnover</b>				
Sales		2,046,064		1,731,227
<b>Cost of sales</b>				
Opening stock	15,940		22,617	
Purchases	1,615,743		1,398,139	
Packing materials	117,353		92,510	
Haulage	97,371		117,757	
Plant repairs	2,352		2,890	
Hire of plant and equipment	17,777		4,085	
	1,866,536		1,637,998	
Closing stock	(17,658)		(15,940)	
		(1,848,878)		(1,622,058)
<b>Gross profit</b>		197,186		109,169
<b>Less expenses</b>				
Administrative expenses	129,302		156,986	
Other income	(9,721)		(23,197)	
		(119,581)		(133,789)
<b>Profit/Loss before interest</b>		77,605		(24,620)
<b>Interest payable</b>				
On bank loans and overdrafts repayable within five years	1,829		6,775	
On HP and finance leases	1,692		1,633	
		(3,521)		(8,408)
<b>Interest receivable</b>				
Other interest received	-		241	
		-		241
<b>Profit/Loss for the year</b>		74,084		(32,787)

# KEVLEY MARKETING LIMITED

## MANAGEMENT PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 2001

	2001	2000
	£	£
<b>Analysis of expenses</b>		
<b>Administrative expenses</b>		
Directors' remuneration	35,100	35,775
Directors' employers national insurance	4,144	3,295
Wages and salaries	22,636	27,101
Rent and rates	399	432
Light, heat and power	7,097	7,371
Telephone (including lease hire)	3,496	4,725
Advertising, postage and stationery	3,444	2,792
Insurance	13,837	12,134
Auditors' remuneration	2,500	1,500
Accountancy and bookkeeping charges	3,465	2,040
Repairs and renewals	1,316	3,427
Motor and forklift expenses	3,628	4,498
Bad and doubtful debts	-	24,300
Bank charges	1,142	1,938
Entertaining	5,628	2,438
General expenses	2,747	2,194
Depreciation	18,723	21,026
	<u>129,302</u>	<u>156,986</u>
<b>Other income</b>		
Hire of forklift truck	2,454	6,961
Hire of cold store	7,267	16,236
	<u>9,721</u>	<u>23,197</u>