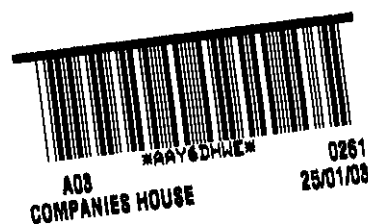


**The Norwich Food Company Limited**  
**Abbreviated financial statements**  
**For the year ended**  
**31 May 2002**



# **The Norwich Food Company Limited**

## **Abbreviated financial statements**

**Year ended 31 May 2002**

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<b>Contents</b>	<b>Page</b>
Company information	1
The directors' report	2
Independent auditors' report to the company	4
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Notes to the abbreviated financial statements	8

# **The Norwich Food Company Limited**

## **Company information**

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<b>The board of directors</b>	J F Allton Jones J M Reid B Skipper CBE
<b>Company secretary</b>	J S Tate
<b>Registered office</b>	Clarence House Clarence Road Norwich Norfolk NR1 1HG
<b>Auditors</b>	Lovewell Blake Chartered Accountants & Registered Auditors Sixty Six North Quay Great Yarmouth Norfolk NR30 1HE

# The Norwich Food Company Limited

## The directors' report

### Year ended 31 May 2002

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 May 2002.

#### Principal activities and business review

The principal activity of the company continued to be that of import, export and distribution of fresh and frozen food products.

The directors are satisfied with the results for the year and the year end position.

#### Results and dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

#### The directors and their interests in the 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 May 2002	At 1 June 2001
J F Allton Jones	3,333	3,333
J M Reid	3,333	3,333
B Skipper CBE	-	-

B Skipper CBE was appointed as a non-executive director on 2 July 2001.

#### 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 8, 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.

#### Close company provisions

In the opinion of the directors, the company is a close company within the meaning of S.414 Income and Corporation Taxes Act, 1988 (as amended).

# The Norwich Food Company Limited

## The directors' report *(continued)*

Year ended 31 May 2002

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### Auditors

A resolution to re-appoint Lovewell Blake as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
Clarence House  
Clarence Road  
Norwich  
Norfolk  
NR1 1HG

Signed by order of the directors

A handwritten signature in black ink, appearing to be 'J S Tate', written over a faint circular stamp or seal.

J S Tate  
Company Secretary

Approved by the directors on 19 November 2002

# **The Norwich Food Company 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 5 to 14, together with the financial statements of the company for the year ended 31 May 2002 prepared under Section 226 of the Companies Act 1985.

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

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A 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 section 246A(3) 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.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 14 are properly prepared in accordance with those provisions.

Sixty Six  
North Quay  
Great Yarmouth  
Norfolk  
NR30 1HE

25 November 2002



**LOVEWELL BLAKE**  
Chartered Accountants  
& Registered Auditors

# The Norwich Food Company Limited

## Abbreviated profit and loss account

Year ended 31 May 2002

	Note	2002 £	2001 £
Gross profit		790,221	936,150
Administrative expenses		(767,734)	(742,380)
Operating profit	2	22,487	193,770
Interest receivable		2,508	1,444
Interest payable	5	(48,126)	(70,363)
(Loss)/profit on ordinary activities before taxation		(23,131)	124,851
Tax on (loss)/profit on ordinary activities	6	(1,483)	(24,489)
(Loss)/profit on ordinary activities after taxation		(24,614)	100,362
Dividends	8	-	(55,000)
(Loss)/retained profit for the financial year		(24,614)	45,362
Balance brought forward		368,315	322,953
Balance carried forward		<u>343,701</u>	<u>368,315</u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 8 to 14 form part of these financial statements.

# The Norwich Food Company Limited

## Abbreviated balance sheet

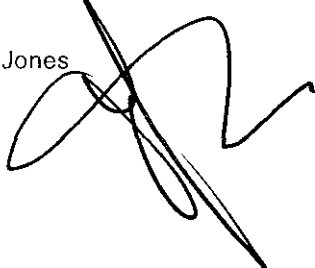
31 May 2002

	Note	2002 £	£	2001 £	£
<b>Fixed assets</b>					
Tangible assets	9		93,792		128,094
<b>Current assets</b>					
Stocks	10	206,358		282,371	
Debtors	11	1,481,062		2,329,790	
Cash at bank and in hand		101,233		85,296	
		<u>1,788,653</u>		<u>2,697,457</u>	
<b>Creditors: Amounts falling due within one year</b>	12	<u>(1,508,667)</u>		<u>(2,425,404)</u>	
<b>Net current assets</b>			279,986		272,053
<b>Total assets less current liabilities</b>			373,778		400,147
<b>Creditors: Amounts falling due after more than one year</b>	13		<u>(13,899)</u>		<u>(19,224)</u>
			359,879		380,923
<b>Provisions for liabilities and charges</b>					
Deferred taxation	14		<u>(6,179)</u>		<u>(2,609)</u>
			<u>353,700</u>		<u>378,314</u>
<b>Capital and reserves</b>					
Called-up equity share capital	17		6,666		6,666
Capital redemption reserve	18		3,333		3,333
Profit and Loss Account			343,701		368,315
<b>Shareholders' funds</b>	19		<u>353,700</u>		<u>378,314</u>

These financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 19 November 2002 and are signed on their behalf by:

J F Allton Jones



J M Reid



The notes on pages 8 to 14 form part of these financial statements.



# The Norwich Food Company Limited

## Cash flow statement

Year ended 31 May 2002

	Note	2002 £	2001 £
<b>Net cash inflow from operating activities</b>	<b>20</b>	<b>334,672</b>	<b>267,764</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		2,508	1,444
Interest paid		(44,725)	(67,700)
Interest element of hire purchase		(3,401)	(2,663)
<b>Net cash outflow from returns on investments and servicing of finance</b>		<b>(45,618)</b>	<b>(68,919)</b>
<b>Taxation</b>		<b>(32,363)</b>	<b>(56,145)</b>
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets		(23,244)	(21,295)
Receipts from sale of fixed assets		47,000	276,499
<b>Net cash inflow from capital expenditure</b>		<b>23,756</b>	<b>255,204</b>
<b>Equity dividends paid</b>		<b>-</b>	<b>(55,000)</b>
<b>Cash inflow before financing</b>		<b>280,447</b>	<b>342,904</b>
<b>Financing</b>			
Repayment of bank loans		-	(138,519)
Capital element of hire purchase		(21,573)	17,516
Net outflow from other long-term creditors		-	(35,305)
<b>Net cash outflow from financing</b>		<b>(21,573)</b>	<b>(156,308)</b>
<b>Increase in cash</b>	<b>21</b>	<b>258,874</b>	<b>186,596</b>

# **The Norwich Food Company Limited**

## **Notes to the abbreviated financial statements**

**Year ended 31 May 2002**

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### **1. Accounting policies**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	20.0 to 33.3% straight line
Motor Vehicles	-	25% straight line

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **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.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The company operates defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### **Deferred taxation**

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

#### **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 of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

# The Norwich Food Company Limited

## Notes to the abbreviated financial statements

Year ended 31 May 2002

### 2. Operating profit

Operating profit is stated after charging/(crediting):

	2002	2001
	£	£
Depreciation on owned assets	30,853	22,684
Depreciation on leased assets	5,799	20,187
Profit on disposal of fixed assets	(4,607)	(16,903)
Auditors' remuneration		
- as auditors	4,500	4,000
Net (profit)/loss on foreign currency translation	(10,056)	3,000

### 3. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No.	No.
Number of administrative staff	13	13

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	344,027	337,937
Social security costs	36,475	33,389
Other pension costs	34,309	21,124
	414,811	392,450

### 4. Directors' emoluments

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

	2002	2001
	£	£
Emoluments receivable	118,754	94,288
Value of company pension contributions to money purchase schemes	30,000	20,000
	148,754	114,288

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

	2002	2001
	No.	No.
Money purchase schemes	2	2

### 5. Interest payable

	2002	2001
	£	£
Interest payable on bank borrowing	44,725	56,422
Finance charges	3,401	2,663
Other similar charges payable	-	11,278
	48,126	70,363

# The Norwich Food Company Limited

## Notes to the abbreviated financial statements

Year ended 31 May 2002

### 6. Tax on profit or loss on ordinary activities

	2002 £	2001 £
In respect of the year:		
Corporation Tax based on the results for the year at 20% (2001 - 20%)	(3,000)	31,450
Increase/(Decrease) in deferred tax provision	<u>3,570</u>	<u>(3,106)</u>
	570	28,344
Adjustment in respect of previous years:		
Corporation Tax	<u>913</u>	<u>(3,855)</u>
	<u>1,483</u>	<u>24,489</u>

### 8. Dividends

No dividend has been recommended for the year ended 31 May 2002.

	2002 £	2001 £
Dividend paid on ordinary shares	<u>-</u>	<u>55,000</u>

### 9. Tangible fixed assets

	Plant & Machinery £	Motor Vehicles £	Total £
<b>Cost</b>			
At 1 June 2001	114,353	80,749	195,102
Additions	17,744	26,999	44,743
Disposals	-	(80,749)	(80,749)
<b>At 31 May 2002</b>	<u>132,097</u>	<u>26,999</u>	<u>159,096</u>
<b>Depreciation</b>			
At 1 June 2001	36,027	30,981	67,008
Charge for the year	23,478	13,174	36,652
On disposals	-	(38,356)	(38,356)
<b>At 31 May 2002</b>	<u>59,505</u>	<u>5,799</u>	<u>65,304</u>
<b>Net book value</b>			
<b>At 31 May 2002</b>	<u>72,592</u>	<u>21,200</u>	<u>93,792</u>
At 31 May 2001	<u>78,326</u>	<u>49,768</u>	<u>128,094</u>

#### Hire purchase agreements

Included within the net book value of £93,792 is £21,200 (2001 - £49,768) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £5,799 (2001 - £20,187).

# The Norwich Food Company Limited

## Notes to the abbreviated financial statements

Year ended 31 May 2002

### 10. Stocks

	2002 £	2001 £
Finished goods	<u>206,358</u>	<u>282,371</u>

### 11. Debtors

	2002 £	2001 £
Trade debtors	1,299,224	2,215,657
Corporation Tax repayable	3,000	-
Other debtors	71,259	72,961
Directors current accounts	82,500	20,000
Prepayments and accrued income	25,079	21,172
	<u>1,481,062</u>	<u>2,329,790</u>

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

	2002 £	2001 £
Bank loans and overdrafts	353,734	596,671
Trade creditors	1,089,286	1,746,963
Hire purchase agreements	20,071	14,820
Corporation Tax	-	31,450
Other taxation and social security	10,225	11,301
Other creditors	737	-
Accruals and deferred income	34,614	24,199
	<u>1,508,667</u>	<u>2,425,404</u>

The bank overdraft is secured by a fixed and floating charge over all assets of the company, and by a legal mortgage over the life policies of the directors. Obligations under hire purchase agreements are secured on the assets concerned.

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

	2002 £	2001 £
Hire purchase agreements	<u>13,899</u>	<u>19,224</u>

Obligations under hire purchase agreements are secured on the assets concerned.

### 14. Deferred taxation

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	2,609	5,715
Increase/(decrease) in provision	3,570	(3,106)
Provision carried forward	<u>6,179</u>	<u>2,609</u>

# The Norwich Food Company Limited

## Notes to the abbreviated financial statements

Year ended 31 May 2002

### 14. Deferred taxation (continued)

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002 £	2001 £
Excess of taxation allowances over depreciation on fixed assets	<u>6,179</u>	<u>2,609</u>

### 15. Commitments under operating leases

At 31 May 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings 2002 £	2001 £
Operating leases which expire: After more than 5 years	<u>24,000</u>	<u>-</u>

### 16. Transactions with the directors

Included in debtors are loans to the directors and their spouses which are interest free and unsecured. The balances outstanding at the year end, which also represent the maximum amounts outstanding during the year, are as follows:

	2002 £	2001 £
J F Allton Jones	34,000	15,008
J M Reid	38,500	5,142
Mrs N Allton Jones	5,000	5,000
Mrs W Reid	5,000	5,000

During the year to 31 May 2002 the company sold cars to J F Allton Jones and J M Reid at their market values of £19,000 and £23,500 respectively.

Consultancy fees amounting to £8,100 were paid to BJS Services Ltd, a company owned by B Skipper CBE.

During the year to 31 May 2001 the company sold a freehold property to the directors for its market value of £55,000.

### 17. Share capital

#### Authorised share capital:

	2002 £	2001 £
10,000 Ordinary shares of £1.00 each	<u>10,000</u>	<u>10,000</u>

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

	2002 £	2001 £
Ordinary share capital	<u>6,666</u>	<u>6,666</u>

# The Norwich Food Company Limited

## Notes to the abbreviated financial statements

Year ended 31 May 2002

### 18. Capital redemption reserve

	2002	2001
	£	£
Capital redemption reserve	<u>3,333</u>	<u>3,333</u>

### 19. Reconciliation of movements in shareholders' funds

	2002	2001
	£	£
(Loss)/Profit for the financial year	(24,614)	100,362
Dividends	-	(55,000)
	<u>(24,614)</u>	<u>45,362</u>
Opening shareholders' equity funds	378,314	332,952
Closing shareholders' equity funds	<u>353,700</u>	<u>378,314</u>

### 20. Reconciliation of operating profit to Net cash inflow from operating activities

	2002	2001
	£	£
Operating profit	22,487	193,770
Depreciation	36,652	42,871
Profit on disposal of fixed assets	(4,607)	(16,903)
Decrease in stocks	76,013	259,613
Decrease/(Increase) in debtors	851,728	(72,567)
Decrease in creditors	(647,601)	(139,020)
	<u>334,672</u>	<u>267,764</u>
Net cash inflow from operating activities		

### 21. Reconciliation of net cash flow to movement in net debt

	2002	2001
	£	£
Increase in cash in the period	258,874	186,596
Net cash outflow from bank loans	-	138,519
Cash outflow in respect of hire purchase	21,573	(17,516)
Net cash outflow from other long-term creditors	-	<u>35,305</u>
Change in net debt resulting from cash flows	280,447	342,904
New finance leases	<u>(21,499)</u>	-
Movement in net debt in the period	<u>258,948</u>	<u>342,904</u>
Net debt at 1 June 2001	(545,419)	(888,323)
Net debt at 31 May 2002	<u>(286,471)</u>	<u>(545,419)</u>

# The Norwich Food Company Limited

## Notes to the abbreviated financial statements

Year ended 31 May 2002

### 22. Analysis of changes in net debt

	At 1 Jun 2001 £	Cash flows £	Other changes £	At 31 May 2002 £
Net cash:				
Cash in hand and at bank	85,296	15,937	-	101,233
Overdrafts	(596,671)	242,937	-	(353,734)
	(511,375)	258,874	-	(252,501)
Debt:				
Hire purchase agreements	(34,044)	21,573	(21,499)	(33,970)
Net debt	(545,419)	280,447	(21,499)	(286,471)