

Registration number 2953704

Beechfield Brands Limited

Abbreviated accounts

for the year ended 31 December 2004



Beechfield Brands Limited

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**Independent auditors' report to Beechfield Brands Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of Beechfield Brands Limited for the year ended 31 December 2004 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 directors and auditors

The directors are responsible for preparing 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 to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 December 2004, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Simpkins Edwards

**Simpkins Edwards
Chartered Accountants and
Registered Auditor**

**Michael House
Castle Street
Exeter**

26.9.05

Beechfield Brands Limited

**Abbreviated balance sheet
as at 31 December 2004**

		2004		2003 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		198,753		83,282
Current assets					
Stocks		1,781,775		1,206,592	
Debtors		768,224		1,258,758	
Cash at bank and in hand		26,694		63,554	
		<u>2,576,693</u>		<u>2,528,904</u>	
Creditors: amounts falling due within one year	4	<u>(781,098)</u>		<u>(952,846)</u>	
Net current assets			<u>1,795,595</u>		<u>1,576,058</u>
Total assets less current liabilities			<u>1,994,348</u>		<u>1,659,340</u>
Provisions for liabilities and charges			<u>(25,212)</u>		<u>(9,352)</u>
Net assets			<u>1,969,136</u>		<u>1,649,988</u>
Capital and reserves					
Called up share capital	5		200		200
Profit and loss account			<u>1,968,936</u>		<u>1,649,788</u>
Shareholders' funds			<u>1,969,136</u>		<u>1,649,988</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

The abbreviated accounts were approved by the Board on and signed on its behalf by

23/9/05

Paul Persey
Director



Roger McHugh
Director



The notes on pages 3 to 5 form an integral part of these financial statements.

Beechfield Brands Limited

Notes to the abbreviated financial statements for the year ended 31 December 2004

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Deferred taxation

Provision is made for deferred taxation in full to take account of all timing differences between the incidence of income and expenditure for taxation and accounting purposes in accordance with FRS19. The deferred tax balance has not been discounted.

1.4. Tangible fixed assets and 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:

Plant and machinery	-	20% p.a. Straight Line
Fixtures, fittings and equipment	-	20% p.a. Straight Line
Motor vehicles	-	25% p.a. Straight Line
Computers & associated equipment	-	20% p.a. Straight Line

1.5. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6. Stock

Stock is valued at the lower of cost and net realisable value. The majority of the Company's stock is imported from overseas and subject to lengthy periods of transportation. It is the policy of the company to include, as stock, all goods ordered from and shipped by suppliers, regardless of its location, at the Balance Sheet date.

1.7. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Beechfield Brands Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2004**

..... continued

2. Change in accounting policy and resulting alteration to comparative amounts.

During the year the company has reviewed its' policy on when to recognise the ownership of stock purchased, for resale, from overseas suppliers. In order to comply better with Financial Reporting Standard No. 5, regarding the substance of transactions, the company has concluded it would be more appropriate to recognise the ownership of such goods at the point the supplier has shipped the goods rather than, as previously, when the goods arrived in the United Kingdom. This has the effect of increasing the recorded purchases, closing stocks and creditor amounts.

In this regard the reported amounts for 2003 have been restated to include the value of such amounts at 31 December 2003. There has been no material impact on the reported profit for either trading year brought about by this change in stated policy.

3. Fixed assets	Tangible fixed assets £
Cost	
At 1 January 2004	150,158
Additions	153,883
Disposals	(14,482)
At 31 December 2004	<u>289,559</u>
Depreciation	
At 1 January 2004	66,876
On disposals	(14,232)
Charge for year	38,162
At 31 December 2004	<u>90,806</u>
Net book values	
At 31 December 2004	<u>198,753</u>
At 31 December 2003	<u>83,282</u>

4. Creditors: amounts falling due within one year	2004 £	2003 £
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Creditors include the following:

Beechfield Brands Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2004**

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5. Share capital	2004	2003
	£	£
Authorised		
900 Ordinary A shares of £1 each	900	900
100 Ordinary B shares of £1 each	100	100
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
100 Ordinary A shares of £1 each	100	100
100 Ordinary B shares of £1 each	100	100
	<u>200</u>	<u>200</u>

The ordinary B shares are classified, in accordance with FRS4 as non-equity. They have no automatic or cumulative right to dividends, they are only redeemable at par on winding up in priority to the 'A' shares and carry no voting rights.

6. Transactions with directors

During the year the company sold goods, on an arms length basis to PenCarrie Limited. Mr P Persey is a director of that company.