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**PEAPOD LTD**

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**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED  
30 NOVEMBER 2001**



**PEAPOD LTD**

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**COMPANY INFORMATION**

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<b>DIRECTORS</b>	J P Ridyard R N Walker
<b>SECRETARY</b>	Mrs M Ridyard
<b>COMPANY NUMBER</b>	03289569
<b>REGISTERED OFFICE</b>	The Tannery Station Road OTLEY West Yorkshire LS21 3HX
<b>AUDITORS</b>	Leslie Bray & Co Chartered Accountants & Registered Auditors Building Society Chambers Wesley Street OTLEY West Yorkshire LS21 1AZ
<b>BANKERS</b>	Barclays Bank plc 25 James Street HARROGATE North Yorkshire HG1 1ZT

**PEAPOD LTD**

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## DIRECTORS' REPORT

### For the year ended 30 November 2001

The directors present their report and the financial statements for the year ended 30 November 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 AND REVIEW OF BUSINESS

The company's principal activity during the year was that of a holding company. The company's subsidiary, Produmax Limited, is engaged in the business of production engineering.

The consolidated profit and loss account for the period is set out on page 5. Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

#### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £231,120 (2000 - £249,982).

#### 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		Redeemable preference shares of £1 each	
	<u>30/11/01</u>	<u>1/12/00</u>	<u>30/11/01</u>	<u>1/12/00</u>
J P Ridyard	25,000	25,000	-	-
R N Walker	-	-	433,000	433,000

#### AUDITORS

The auditors, Leslie Bray & Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 10<sup>th</sup> September 2002 and signed on its behalf.

Director



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**INDEPENDENT AUDITORS' REPORT TO PEAPOD LTD**  
**Under section 247B of the Companies Act 1985**

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We have examined the abbreviated accounts of Peapod Ltd for the year ended 30 November 2001 set out on pages 4 to 10, together with the financial statements of the company for the year ended 30 November 2001 prepared under section 226 of the Companies Act 1985.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

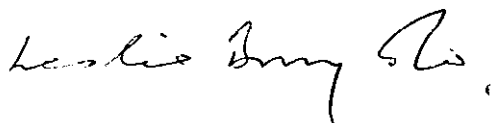
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**BASIS OF AUDIT 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 sections 246 A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 10 are properly prepared in accordance with those provisions.



Chartered Accountants  
Registered Auditors

Building Society Chambers  
Wesley Street  
OTLEY  
West Yorkshire  
LS21 1AZ

11<sup>th</sup> September 2002

**PEAPOD LTD**

**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
For the year ended 30 November 2001

	Note	2001 £	2000 £
Administrative expenses		<u>(1,406)</u>	<u>(3,971)</u>
<b>OPERATING LOSS</b>	2	<b>(1,406)</b>	<b>(3,971)</b>
Income from other fixed asset investments		<b>250,000</b>	279,500
Interest payable	4	<u>(25,565)</u>	<u>(38,198)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>223,029</b>	237,331
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	5	<u>8,091</u>	<u>12,651</u>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	10	<b>£ 231,120</b>	<b>£ 249,982</b>

All amounts relate to continuing operations.

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

The notes on pages 6 to 10 form part of these financial statements.

PEAPOD LTD

ABBREVIATED BALANCE SHEET  
As at 30 November 2001

	Note	2001 £	2000 £
<b>FIXED ASSETS</b>			
Investments	6	1,747,783	1,747,783
<b>CREDITORS: amounts falling due within one year</b>	7	(532,251)	(625,346)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,215,532	1,122,437
<b>CREDITORS: amounts falling due after more than one year</b>	8	(275,685)	(413,710)
<b>NET ASSETS</b>		939,847	708,727
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	458,000	458,000
Other reserves	10	217,000	217,000
Profit and loss account	10	264,847	33,727
<b>SHAREHOLDERS' FUNDS</b>	11	939,847	708,727

Shareholders' funds include non-equity interests.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved by the board on 10 September 2002 and signed on its behalf.

  
Director

The notes on pages 6 to 10 form part of these financial statements.

PEAPOD LTD

**ABBREVIATED CASH FLOW STATEMENT**  
For the year ended 30 November 2001

	Note	2001 £	2000 £
Net cash flow from operating activities	12	167,474	188,198
Returns on investments and servicing of finance	13	(25,565)	(38,198)
Taxation		8,091	-
<b>CASH INFLOW BEFORE FINANCING</b>		<b>150,000</b>	<b>150,000</b>
Financing	13	(150,000)	(150,000)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 14)**  
For the year ended 30 November 2001

	2001 £	2000 £
Cash decrease from decrease in debt and lease financing	138,025	150,000
<b>MOVEMENT IN NET DEBT IN THE PERIOD</b>	<b>138,025</b>	<b>150,000</b>
Net debt at 1 December 2000	(363,025)	(513,025)
<b>NET DEBT AT 30 NOVEMBER 2001</b>	<b>£ (225,000)</b>	<b>£ (363,025)</b>



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**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 30 November 2001

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**1. ACCOUNTING POLICIES****1.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**2. OPERATING LOSS**

During the year, no director received any emoluments (2000 - £nil).

**3. STAFF COSTS**

The average monthly number of employees, including directors, during the year was as follows:

	2001	2000
Administration	2	2
	<u>2</u>	<u>2</u>

**4. INTEREST PAYABLE**

	2001	2000
	£	£
On bank loans and overdrafts	£ 25,565	£ 38,198
	<u>£ 25,565</u>	<u>£ 38,198</u>

**5. TAXATION**

	2001	2000
	£	£
<b>UK corporation tax</b>		
Current tax on income for the period	£ (8,091)	£ (12,651)
	<u>£ (8,091)</u>	<u>£ (12,651)</u>

**6. FIXED ASSET INVESTMENTS**

	Shares in group under- takings £	Total £
<b>Cost</b>		
At 1 December 2000 and 30 November 2001	£ 1,747,783	£ 1,747,783
	<u>£ 1,747,783</u>	<u>£ 1,747,783</u>

**Subsidiary undertaking**

The following was a subsidiary undertaking of the company:

Produmax Limited

**NOTES TO THE ABBREVIATED ACCOUNTS**  
**For the year ended 30 November 2001**

The aggregate of the share capital and reserves as at 30 November 2001 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

	<b>Aggregate of share capital and reserves</b>	<b>Profit/(loss)</b>
	<b>£</b>	<b>£</b>
Produmax Limited	<b>2,444,918</b>	<b>479,833</b>
	<u>                    </u>	<u>                    </u>

**7. CREDITORS:**  
**Amounts falling due within one year**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>150,000</b>	150,000
Amounts owed to group undertakings	<b>382,251</b>	463,894
Accruals and deferred income	-	11,452
	<u>£ 532,251</u>	<u>£ 625,346</u>

The bank loans are secured by a fixed and floating charge over the assets of the group.

**8. CREDITORS:**  
**Amounts falling due after more than one year**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>75,000</b>	213,025
Other creditors	<b>200,685</b>	200,685
	<u>£ 275,685</u>	<u>£ 413,710</u>

Included within the above are amounts falling due as follows:

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
<b>Between one and two years</b>		
Bank loans	<b>75,000</b>	150,000
	<u>                    </u>	<u>                    </u>
<b>Between two and five years</b>		
Bank loans	-	63,025
	<u>                    </u>	<u>                    </u>

The company and group have two loans parts of which were repayable over five years. A secured loan for £250,000 (1999 £350,000) repayable at quarterly intervals to February 2004. This loan carries interest at 1.75% above LIBOR. A second loan for £125,000 (1999 £175,000), which is secured under the government's Small Firms Loan Guarantee Scheme, is repayable at quarterly intervals to March 2003 and carries interest at 2.5% above LIBOR.

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**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 30 November 2001

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**9. SHARE CAPITAL**

	2001 £	2000 £
<b>Authorised</b>		
25,000 Ordinary shares of £1 each	25,000	25,000
650,000 Redeemable preference shares of £1 each	650,000	650,000
	<u>£ 675,000</u>	<u>£ 675,000</u>
<b>Allotted, called up and fully paid</b>		
25,000 Ordinary shares of £1 each	25,000	25,000
433,000 Redeemable preference shares of £1 each	433,000	433,000
	<u>£ 458,000</u>	<u>£ 458,000</u>

The preference shares are to be redeemed at par plus an additional sum dependent on the performance of the company's subsidiary Produmax Limited. The directors best estimate of this additional sum is accrued separately as explained in note 15.

At any given time all the preference shares in issue combined shall carry between them a total of 5% of the total voting rights of the company.

On a return of capital on liquidation or otherwise the holders of preference shares shall receive priority in repayments to members up to the amounts paid up on such shares but they are not entitled to any further participation in the assets of the company.

**10. RESERVES**

<b>Profit and loss account</b>	£
At 1 December 2000	33,727
Profit retained for the year	231,120
	<u>£ 264,847</u>
<b>Other reserves</b>	£
At 1 December 2000	217,000
	<u>£ 217,000</u>

**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 30 November 2001

**11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2001 £	2000 £
Profit for the year	231,120	249,982
	<u>231,120</u>	<u>249,982</u>
Opening shareholders' funds	708,727	458,745
Closing shareholders' funds	<u>£ 939,847</u>	<u>£ 708,727</u>
<b>Analysis of shareholders' funds</b>		
Non-equity interests	433,000	433,000
Equity interests	506,847	275,727
	<u>£ 939,847</u>	<u>£ 708,727</u>

**12. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2001 £	2000 £
Operating loss	(1,406)	(3,971)
Decrease in creditors	(11,452)	-
Increase in amounts owed to group undertakings	180,332	192,169
<b>NET CASH INFLOW FROM OPERATIONS</b>	<u>£ 167,474</u>	<u>£ 188,198</u>

**13. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2001 £	2000 £
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest paid	<u>£ (25,565)</u>	<u>£ (38,198)</u>
<b>FINANCING</b>		
Repayment of loans	<u>£ (150,000)</u>	<u>£ (150,000)</u>

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**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 30 November 2001

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**14. ANALYSIS OF CHANGES IN NET DEBT**

	<b>1 December 2000 £</b>	<b>Cash flow £</b>	<b>Other non-cash changes £</b>	<b>30 November 2001 £</b>
<b>DEBT :</b>				
Debts due within one year	(150,000)	-	-	(150,000)
Debts falling due after more than one year	(213,025)	150,000	(11,975)	(75,000)
	<u>£ (363,025)</u>	<u>£ 150,000</u>	<u>£ (11,975)</u>	<u>£ (225,000)</u>
<b>NET DEBT</b>				