

3568597

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003
FOR
SHARPTONE LIMITED**



SHARPTONE LIMITED

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FOR THE YEAR ENDED 31 MARCH 2003**

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SHARPTONE LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2003

DIRECTORS:	L Garrett Miss C Bamber Miss N Garrett
SECRETARY:	C A Hall
REGISTERED OFFICE:	83 Cambridge Street Pimlico London SW1V 4PS
REGISTERED NUMBER:	3568597 (England and Wales)
AUDITORS:	George Hay & Company Chartered Accountants Registered Auditors 83 Cambridge Street Pimlico London SW1V 4PS
BANKERS:	Coutts & Co 440 Strand Strand London WC2R 0QS

SHARPTONE LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2003**

The directors present their report with the financial statements of the company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the wholesale of poultry and game birds.

DIRECTORS

The directors during the year under review were:

L Garrett	- appointed 3.5.02
Miss C Bamber	- appointed 17.4.02
R P Garrett	- resigned 19.5.02

The directors holding office at 31 March 2003 did not hold any beneficial interest in the issued share capital of the company at date of appointment or 31 March 2003.

Since the year end N.C.Garrett has been appointed a director.

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.

AUDITORS

The auditors, George Hay & Company, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

ON BEHALF OF THE BOARD:



Miss C Bamber - Director

19 December 2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
SHARPTONE LIMITED**

We have audited the financial statements of Sharptone Limited for the year ended 31 March 2003 on pages four to eight. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

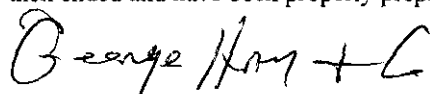
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 the company's affairs as at 31 March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



George Hay & Company
Chartered Accountants
Registered Auditors
83 Cambridge Street
Pimlico
London SW1V 4PS

19 December 2003

SHARPTONE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

		31.3.03	31.3.02
	Notes	£	£
TURNOVER		1,621,426	1,855,698
Cost of sales		1,378,814	1,584,848
GROSS PROFIT		242,612	270,850
Administrative expenses		190,475	217,538
OPERATING PROFIT	2	52,137	53,312
Interest payable and similar charges		3,095	4,723
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		49,042	48,589
Tax on profit on ordinary activities	3	9,510	9,767
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		39,532	38,822
Retained profit brought forward		167,372	128,550
RETAINED PROFIT CARRIED FORWARD		<u>£206,904</u>	<u>£167,372</u>

The notes form part of these financial statements


SHARPTONE LIMITED

BALANCE SHEET
31 MARCH 2003

		31.3.03		31.3.02	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	4		263,348		262,791
CURRENT ASSETS:					
Stocks		6,820		7,299	
Debtors	5	155,201		164,415	
Cash at bank		391		-	
		162,412		171,714	
CREDITORS: Amounts falling due within one year	6	218,854		228,387	
NET CURRENT LIABILITIES:			(56,442)		(56,673)
TOTAL ASSETS LESS CURRENT LIABILITIES:			206,906		206,118
CREDITORS: Amounts falling due after more than one year	7		-		38,744
			£206,906		£167,374
CAPITAL AND RESERVES:					
Called up share capital	9		2		2
Profit and loss account			206,904		167,372
SHAREHOLDERS' FUNDS:			£206,906		£167,374

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



Miss C Bamber - Director

Approved by the Board on 19 December 2003

The notes form part of these financial statements

SHARPTONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment	- 25% on reducing balance
Computers	- 33% on cost

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.03	31.3.02
	£	£
Depreciation - owned assets	2,943	2,355
Auditors' remuneration	<u>1,878</u>	<u>1,750</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.03	31.3.02
	£	£
Current tax:		
UK corporation tax	<u>9,510</u>	<u>9,767</u>
Tax on profit on ordinary activities	<u>9,510</u>	<u>9,767</u>

SHARPTONE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

4. TANGIBLE FIXED ASSETS

	Freehold property	Equipment	Computers	Totals
	£	£	£	£
COST:				
At 1 April 2002	258,199	7,516	4,400	270,115
Additions	-	3,500	-	3,500
At 31 March 2003	258,199	11,016	4,400	273,615
DEPRECIATION:				
At 1 April 2002	-	4,857	2,467	7,324
Charge for year	-	1,476	1,467	2,943
At 31 March 2003	-	6,333	3,934	10,267
NET BOOK VALUE:				
At 31 March 2003	258,199	4,683	466	263,348
At 31 March 2002	258,199	2,659	1,933	262,791

No depreciation has been charged on freehold properties as it is the company's policy to maintain the buildings in a continual state of sound repair. The director considers that the lives of these assets are so long and the residual values so high, that their depreciation is insignificant.

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.03 £	31.3.02 £
Value Added Tax	3,983	1,131
Trade debtors	143,423	161,058
Other debtors	5,836	665
Prepayments	1,959	1,561
	<u>155,201</u>	<u>164,415</u>

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.03 £	31.3.02 £
Bank loans and overdrafts	82,393	79,093
Trade creditors	120,281	128,351
Directors current accounts	624	624
Other creditors	724	-
Social security & other taxes	2,279	2,918
Taxation	9,510	9,767
Accrued expenses	3,043	7,634
	<u>218,854</u>	<u>228,387</u>

SHARPTONE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

**7. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.3.03	31.3.02
	£	£
Due to connected company	-	38,744
	<u> </u>	<u> </u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.03	31.3.02
	£	£
Bank overdrafts	82,393	79,093
	<u> </u>	<u> </u>

The bank overdraft is secured by way of a mortgage debenture over all assets. The bank holds a legal mortgage over the freehold property at 10 St. John Street, Smithfield, London.

9. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	31.3.03	31.3.02
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.3.03	31.3.02
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

10. CONTINGENT LIABILITIES

Contingent liabilities exist in respect of guarantees given to bankers in respect of bank overdrafts and loans for Allens Limited and R. Allen & Co. (Butchers) Limited. At 31st March 2003 the total amount owed by Allens Limited amounted to £661,398 at which date the Balance Sheet showed net assets of £961,185.

11. RELATED PARTY DISCLOSURES

Included in debtors is an amount of £5,836 (2002:£38,744 cr.) due from Allens Limited. Both companies are under the control of the main director and her family. All transactions were at arms length and no amounts were written off during the year.