

RT Julian & Son Limited

Directors' report and financial statements

For the period ended 30 April 2002

Company registration number 04216674



RT Julian & Son Limited

Contents

	<i>Page</i>
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cashflow statement	7
Notes to the financial statements	8 - 15

RT Julian & Son Limited

Directors' report

For the period ended 30 April 2002

The directors present their annual report and financial statements for the period ended 30 April 2002.

Principal activities and review of business

The company was incorporated on 15 May 2001.

On 1 June 2001 the company acquired the trades of RT and Mrs CJ Julian and Taunton Fruit Distributors Limited which were that of wholesale fruiterers and greengrocers. On the same date the company became a wholly owned subsidiary of RT Julian & Son (Holdings) Limited.

The results for the period are shown in the profit and loss account on page 5. The directors consider the results to be disappointing and have taken corrective action to improve the company's profitability.

Dividend

The directors do not recommend the payment of a dividend.

Directors

The following directors have held office since 15 May 2001:

RT Julian	(appointed 15 May 2001)
Mrs CJ Julian	(appointed 7 March 2002)

The director's have no beneficial interests in the shares of the company.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Robinson Reed Layton be re-appointed auditors of the company will be put to the Annual General Meeting.

RT Julian & Son Limited

Directors' report

For the period ended 30 April 2002

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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the Board



CJ Julian
Director

Treloggan Industrial Estate
Treloggan
NEWQUAY
Cornwall
TR7 2SX

24 February 2003

RT Julian & Son Limited

Independent auditors' report to the shareholders of RT Julian & Son Limited

We have audited the financial statements of RT Julian & Son Limited on pages 5 to 15 for the period ended 30 April 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the 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 directors' report 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 director's report 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.

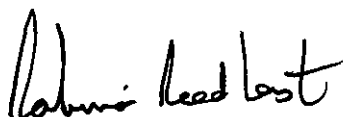
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

RT Julian & Son Limited

Independent auditors' report to the shareholders of RT Julian & Son Limited

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2002 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Robinson Reed Layton
Chartered Accountants
Registered Auditors

Peat House
Newham Road
TRURO
TR1 2DP

25 February 2003

RT Julian & Son Limited

Profit and loss account

For the period ended 30 April 2002

	<i>Notes</i>	15 May 2001 to 30 April 2002 £
Turnover	2	6,068,597
Cost of sales		(5,087,142)
Gross profit		981,455
Distribution costs		(864,076)
Administrative expenses		(273,062)
Operating loss	3	(155,683)
Interest payable	4	(64,144)
Loss on ordinary activities before taxation		(219,827)
Tax on loss on ordinary activities	5	-
Loss for the financial period and retained loss carried forward	14	(219,827)

The results for the period have arisen from activities commenced in the period.

There are no recognised gains and losses other than those passing through the profit and loss account.

RT Julian & Son Limited

Balance sheet

As at 30 April 2002

	Notes	£	2002 £
Fixed assets			
Intangible assets	6		9,000
Tangible assets	7		359,569
Investments	8		3,750
Current assets			
Stocks	9	132,796	
Debtors	10	762,574	
Cash at bank and in hand		1,510	
		<hr/>	
		896,880	
Creditors: amounts falling due within one year	11	(769,249)	
		<hr/>	
Net current assets			127,631
			<hr/>
Total assets less current liabilities			499,950
Creditors: amounts falling due after more than one year	12		(719,677)
			<hr/>
Net liabilities			(219,727)
			<hr/>
Capital and reserves			
Called up share capital	13		100
Profit and loss account			(219,827)
			<hr/>
Shareholder's funds - equity interests	14		(219,727)
			<hr/>

These financial statements were approved by the Board of directors on
and were signed on its behalf by:

24 February 2003

CJ Julian

CJ Julian

Director

RT Julian & Son Limited

Cash flow statement

For the period ended 30 April 2002

	Note	£	2002 £
Net cash inflow from operating activities	21		489,559
Returns on investments and servicing of finance			
Interest paid		(56,428)	
Interest element of finance leases		(7,716)	
		<hr/>	
Net cash outflow from returns on investments and servicing of finance			(64,144)
Taxation			
Corporation tax paid		-	
		<hr/>	
Tax paid			-
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(479,669)	
Payments to acquire intangible fixed assets		(20,000)	
Receipts from sales of tangible fixed assets		7,400	
		<hr/>	
Net cash outflow from capital expenditure			(492,269)
			<hr/>
			(66,854)
Financing			
New finance lease		128,074	
Capital element of finance leases		(59,810)	
Issue of ordinary share capital		100	
		<hr/>	
Net cash inflow from financing			68,364
			<hr/>
Increase in cash in the period	23		1,510
			<hr/> <hr/>

RT Julian & Son Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

1.1 Basis of preparation

These financial statements have been prepared under the historical cost convention.

1.2 Goodwill

Acquired goodwill is written off over its estimated useful economic life.

1.3 Fixed assets and depreciation and amortisation

Depreciation and amortisation are calculated so as to write off the cost or valuation less estimated residual value of fixed assets over their estimated useful lives as follows:

Leasehold property	-	over the term of the lease
Plant and equipment		
- computer equipment	-	25% per annum on cost
- other plant	-	20% to 25% per annum on written down value
Motor vehicles	-	25% per annum on written down value

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Stocks

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

1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable to the scheme in respect of the year in accordance with FRS17.

1.8 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

RT Julian & Son Limited

Notes

(forming part of the financial statements)

2 Turnover

Turnover represents amounts invoiced by the company in respect of goods sold during the period, excluding value added tax.

3 Operating loss

15 May 2001
to 30 April
2002
£

Operating loss is stated after charging the following:

Auditors' remuneration and expenses	4,000
Depreciation of tangible fixed assets	107,589
Amortisation of intangible fixed assets	11,000
<i>Operating lease rentals</i>	
- other assets	56,803
Loss on disposal of tangible fixed assets	5,111

4 Interest payable

15 May 2001
to 30 April
2002
£

On bank loans and overdrafts	56,428
On finance leases and hire purchase contracts	7,716
	<hr/>
	64,144
	<hr/>

RT Julian & Son Limited

Notes

(forming part of the financial statements)

5 Taxation

	2002 £
Domestic current year tax	
U.K corporation tax	-
Adjustment for prior years	-
	-
Current tax charge	
Deferred tax charge/credit current year	-
	-
Factors affecting the tax charge for the year	
Loss on ordinary activities before taxation	(219,827)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00%.	(43,965)
Effects of:	
Depreciation	23,562
Capital allowances	(14,601)
Tax losses created	35,004
	43,965
Current tax charge	-
The company has tax losses of £175,000 to carry forward against future profits of the same trade.	

6 Intangible fixed assets

	Goodwill £
Cost	
Additions	20,000
At 30 April 2002	20,000
Amortisation	
Charge for the period	11,000
At 30 April 2002	11,000
Net book value	
At 30 April 2002	9,000

RT Julian & Son Limited

Notes

(forming part of the financial statements)

7 Tangible fixed assets

	Short leasehold property	Plant and equipment £	Motor vehicles £	Total £
Cost				
Additions	8,000	160,541	311,128	479,669
Disposals	-	(496)	(12,999)	(13,495)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2002	8,000	160,045	298,129	466,174
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
Charge for the period	8,000	30,375	69,214	107,589
On disposals	-	(91)	(893)	(984)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2002	8,000	30,284	68,321	106,605
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 30 April 2002	-	129,761	229,808	359,569
	<hr/>	<hr/>	<hr/>	<hr/>

Included above are assets under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 30 April 2002	129,207
	<hr/>
Depreciation charge for the period	
At 30 April 2002	38,413
	<hr/>

8 Investments

	Shares in unlisted UK companies £
Cost	
At 1 June 2001	-
Additions	3,750
	<hr/>
At 30 April 2002	3,750
	<hr/>

RT Julian & Son Limited

Notes

(forming part of the financial statements)

9 Stocks

	2002 £
Goods for resale	116,649
Packaging, consumables and fuel	16,147
	<hr/>
	132,796
	<hr/>

10 Debtors

	2002 £
<i>Amounts falling due within one year:</i>	
Trade debtors	538,835
Amounts owed by group undertakings	103,920
Other debtors	5,066
Prepayments and accrued income	114,753
	<hr/>
	762,574
	<hr/>

11 Creditors: amounts falling due within one year

	2002 £
Obligations under finances leases and hire purchase contracts	68,264
Trade creditors	607,782
Other taxes and social security	13,572
Accruals and deferred income	79,631
	<hr/>
	769,249
	<hr/>

The finance lease and hire purchase obligations are secured on the assets to which they relate.

RT Julian & Son Limited

Notes

(forming part of the financial statements)

12 Creditors: amounts falling due after more than one year

	2002 £
Directors current accounts	660,049
Other creditors	59,628
	<hr/> 719,677 <hr/>

13 Share capital

	2002 £
<i>Authorised</i>	
100 Ordinary shares of £1 each	100
	<hr/>
<i>Allotted, called up and fully paid</i>	
100 Ordinary shares of £1 each	100
	<hr/>

14 Reconciliation of movements in shareholders' funds

	2002 £
Loss for the financial period	(219,827)
New share capital subscribed	100
	<hr/>
Closing shareholder's funds	(219,727) <hr/>

15 Financial commitments

Annual commitments under non-cancellable operating leases are as follows:

	2002 £
<i>Land and buildings</i>	
<i>Operating leases which expire:</i>	
Between two and five years	56,747
	<hr/>

16 Related party transactions

On 1 June 2001 the net assets and trade of the former business of RT and Mrs CJ Julian were transferred into the company at a value of £37,621 and were credited to the directors' loan account of RT and Mrs CJ Julian. The balance of that account at 30 April 2002 was £660,049 shown in creditors.

Until 1 June 2001 RT and Mrs CJ Julian traded with Taunton Fruit Distributors Ltd, a company which became a fellow subsidiary of RT Julian & Son on that date. At 31 April 2002 the company was owed £103,920 by Taunton Fruit Distributors Ltd.

Included in other creditors is £59,628 owed to B Julian, son of RT and Mrs CJ Julian.

RT Julian & Son Limited

Notes

(forming part of the financial statements)

17 Contingent liabilities

An unlimited guarantee has been given by the company covering the bank borrowings of RT Julian & Son (Holdings) Ltd and Taunton Fruit Distributors Ltd. At the period end these borrowings amounted to £95,447.

18 Staff numbers and costs

The average number of persons employed by the company (including directors) during the period was as follows:

	15 May 2001 to 30 April 2002
Management	2
Sales	8
Other	48
	<hr/>
	58

The aggregate payroll costs of these persons were as follows:

	15 May 2001 to 30 April 2002 £
Wages and salaries	673,755
Social security costs	51,104
	<hr/>
	724,859

19 Ultimate controlling party

The ultimate controlling party is RT Julian Esq.

20 Parent undertaking

The company is a wholly owned subsidiary of RT Julian & Son (Holdings) Limited, a company registered in England and Wales.

RT Julian & Son Limited

Notes to the cash flow statement

For the period ended 30 April 2002

21 Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities

	2002 £
Operating loss	(155,683)
Depreciation	118,589
Loss on sale of tangible fixed assets	5,111
Increase in investments	(3,750)
Increase in stocks	(132,796)
Increase in debtors	(762,574)
Increase in creditors	1,420,662
	<hr/>
Net cash inflow from operating activities	489,559
	<hr/>

22 Reconciliation of net cash flow to movement in net debt

	2002 £
Increase in cash	1,510
Cash inflow from decrease in debt and lease financing	59,810
	<hr/>
Change in net debt resulting from cash flows	61,320
New finance lease	(128,074)
	<hr/>
Movement in net debt in the year	(66,754)
Net debt at 15 May 2001	-
	<hr/>
Net debt at 30 April 2002	(66,754)
	<hr/>

23 Analysis of changes in net debt

	At 15 May 2001 £	Cash flow £	Other non cash changes £	At 30 April 2002 £
Cash at bank and in hand	-	1,510	-	1,510
		<hr/>		
		1,510		
<i>Mortgage loans and lease purchase liabilities:</i>				
Due within 1 year	-	59,810	(128,074)	(68,264)
	<hr/>	<hr/>	<hr/>	<hr/>
	-	61,320	(128,074)	(66,754)
	<hr/>	<hr/>	<hr/>	<hr/>