

Report

Registration number 4584241

**Freshcut Foods Limited**  
**Abbreviated accounts**  
**for the year ended 31st March 2006**



**Independent auditors' report to Freshcut Foods 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 Freshcut Foods Limited for the year ended 31st March 2006 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 for our audit work, for this report, or for the opinions we have formed.

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

The directors are responsible for preparing the 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

**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, and the abbreviated accounts have been properly prepared in accordance with those provisions.



**Phipp & Co (Accountants) Limited  
Chartered Accountants and  
Registered Auditor**

30 January 2007

**6 Nottingham Road  
Long Eaton  
Nottingham  
NG10 1HP**

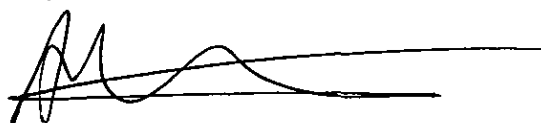
**Freshcut Foods Limited**

**Abbreviated balance sheet  
as at 31st March 2006**

		2006		2005	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	2		159,142		149,367
Tangible assets	2		318,612		259,638
			<u>477,754</u>		<u>409,005</u>
<b>Current assets</b>					
Stocks		69,367		49,465	
Debtors		683,503		147,730	
Cash at bank and in hand		<u>45,160</u>		<u>8,025</u>	
		798,030		205,220	
<b>Creditors: amounts falling due within one year</b>		<u>(1,435,843)</u>		<u>(631,510)</u>	
<b>Net current liabilities</b>			<u>(637,813)</u>		<u>(426,290)</u>
<b>Total assets less current liabilities</b>			(160,059)		(17,285)
<b>Creditors: amounts falling due after more than one year</b>	3		<u>(103,288)</u>		<u>(10,714)</u>
<b>Deficiency of assets</b>			<u>(263,347)</u>		<u>(27,999)</u>
<b>Capital and reserves</b>					
Called up share capital	4		60,000		60,000
Profit and loss account			<u>(323,347)</u>		<u>(87,999)</u>
<b>Shareholders' funds</b>			<u>(263,347)</u>		<u>(27,999)</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective January 2005) relating to small companies

The abbreviated accounts were approved by the Board on 30th January 2007 and signed on its behalf by



**A. Clarke**  
Director

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

## **Freshcut Foods Limited**

### **Notes to the abbreviated financial statements for the year ended 31st March 2006**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

##### **1.2. Changes in accounting policy**

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standard

The Financial Reporting Standard for Smaller Entities (effective January 2005) This affects the policy for disclosure of dividends paid during the year Dividends are paid from equity reserves, rather than being charged through the profit and loss account The results for the previous year are also amended to show the dividends as paid from reserves

##### **1.3. Turnover**

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

##### **1.4. Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years

##### **1.5. 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	-	3 - 10 years
Fixtures, fittings and equipment	-	25% on cost
Motor vehicles	-	25% on cost

The estimated useful life for certain items of plant and equipment has been increased to 10 years from 5 years The directors believe that this fairly reflects the useful life of these assets and that it would be appropriate to depreciate them over 10 years The effect of this change is to reduce the depreciation charge for the year by £23,386

##### **1.6. 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 constant periodic rates of charge on the net obligations outstanding in each period

##### **1.7. Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value

# Freshcut Foods Limited

## Notes to the abbreviated financial statements for the year ended 31st March 2006

continued

### 1.8. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings

### 1.9. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise

2. Fixed assets	Intangible assets £	Tangible fixed assets £	Total £
<b>Cost</b>			
At 1st April 2005	165,508	352,723	518,231
Additions	19,000	130,125	149,125
At 31st March 2006	<u>184,508</u>	<u>482,848</u>	<u>667,356</u>
<b>Depreciation and Provision for diminution in value</b>			
At 1st April 2005	16,141	93,085	109,226
Charge for year	9,225	71,151	80,376
At 31st March 2006	<u>25,366</u>	<u>164,236</u>	<u>189,602</u>
<b>Net book values</b>			
At 31st March 2006	<u>159,142</u>	<u>318,612</u>	<u>477,754</u>
At 31st March 2005	<u>149,367</u>	<u>259,638</u>	<u>409,005</u>

### 3. Creditors:

2006  
£

2005  
£

Creditors include the following

Secured creditors	<u>(781,514)</u>	<u>(15,793)</u>
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# Freshcut Foods Limited

## Notes to the abbreviated financial statements for the year ended 31st March 2006

continued

<b>4. Share capital</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
60 Ordinary A shares of 1 each	60	60
40 Ordinary B shares of 1 each	40	40
59,900 Preference shares of 1 each	59,900	59,900
	<u>60,000</u>	<u>60,000</u>
<b>Allotted, called up and fully paid</b>		
60 Ordinary A shares of 1 each	60	60
40 Ordinary B shares of 1 each	40	40
- Preference shares of 1 each	-	-
	<u>60,000</u>	<u>60,000</u>
<b>Equity Shares</b>		
60 Ordinary A shares of 1 each	60	60
40 Ordinary B shares of 1 each	40	40
	<u>100</u>	<u>100</u>