

Company Number: 04115910

BENCHMARK HOLDINGS LIMITED

ANNUAL REPORT

YEAR ENDED 30 SEPTEMBER 2002



PKF

BENCHMARK HOLDINGS LIMITED

COMPANY INFORMATION

Directors	M D F Pye Ms R Layton R J Bonney
Secretary	Endeavour Secretary Limited
Company Number	04115910
Registered Office	The Field Station Northfield Farm Wytham Oxfordshire OX2 8QJ
Auditors	PKF Regent House Clinton Avenue Nottingham NG5 1AZ
Bankers	Barclays Bank Plc 54 Lombard Street London EC3P 3AH

BENCHMARK HOLDINGS LIMITED

CONTENTS

	Page
DIRECTORS' REPORT	1 - 2
STATEMENT OF DIRECTORS' RESPONSIBILITIES	3
AUDITORS' REPORT	4 - 5
PROFIT AND LOSS ACCOUNT	6
BALANCE SHEET	7
NOTES TO THE FINANCIAL STATEMENTS	8 - 11

BENCHMARK HOLDINGS LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 SEPTEMBER 2002

The directors submit their report and the financial statements for the year ended 30 September 2002.

Principal activity

The principal activity of the company during the year was that of a holding company.

The principal activities of the subsidiaries are as follows:-

RL Consulting Limited	Provision of consulting services to the food sector.
FAI Farms Limited	Run a commercial scale of farming operation to foster and communicating high quality research in farm animal welfare, farmland ecology and food safety.
Poultry Health Services Limited	Provide veterinary support to the poultry industry.

Review of the business

The year has been one of substantial development for the Benchmark companies with, at FAI, a major focus on the establishment of both the farming operation and on bringing the key research and development projects, this work is now well advanced. At Poultry Health Services the priority was to develop a stable client base for the future and bring in a body of new smaller clients together with some new business activities, and substantial progress has been made during the year. At rlconsulting the objective was to break into to some new business areas and to develop some new products to help open up these opportunities, useful progress has been made in spite of the collapse in the investment markets, one of the target areas.

With turnover growing (rlconsulting £158K, FAI £450K, Poultry Health Services £2.42M) and before tax profit performance better than budgeted at each of the companies (rlconsulting £18,391, FAI (£12,907) Poultry Health Services £129,734) the board are satisfied with financial performance for the year.

It is recognised that although this is not an easy time for our customers in the farming and food industries that there are however significant growth opportunities for the business, both through the development of the synergies between the companies, and by innovating and marketing improved services designed to enhance the efficiency of our client's response to technical and customer issues. We are therefore projecting further growth in the coming year and looking forward to building on the sound platform that has been built for the company in order to achieve this.

Directors

The directors who served during the year and their interests in the company's issued share capital at the balance sheet date and at the start of the year were:

	Ordinary Shares of £1 each	
	2002	2001
M D F Pye	1	1
Ms R Layton	1	1
R J Bonney	1	1

BENCHMARK HOLDINGS LIMITED

**DIRECTORS' REPORT (continued)
YEAR ENDED 30 SEPTEMBER 2002**

Basis of preparation

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

By order of the board


M D F Pye
Director

29 April 2003

BENCHMARK HOLDINGS LIMITED
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 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.

The directors are responsible for ensuring that the directors' report and other information included in the annual report is prepared in accordance with company law in the United Kingdom.

A handwritten signature in black ink, consisting of a stylized 'A' followed by a checkmark-like flourish.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
BENCHMARK HOLDINGS LIMITED**

We have audited the financial statements of Benchmark Holdings Limited for the year ended 30 September 2002 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under 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 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 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 Directors' 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 judgments 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.

INDEPENDENT AUDITORS' REPORT (continued)

Opinion

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

Nottingham, UK
1 May 2003

Handwritten signature in black ink, appearing to be 'PKF' with a stylized flourish.

Registered Auditors

BENCHMARK HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2002

		Year ended 30 September 2002 £	Ten months ended 30 September 2001 £
	Notes		
Administrative expenses		(12,621)	-
Other operating income		11,405	-
		<hr/>	<hr/>
OPERATING LOSS	2	(1,216)	-
Interest payable and similar charges		(128)	-
		<hr/>	<hr/>
LOSS FOR THE FINANCIAL YEAR		(1,344)	-
		<hr/> <hr/>	<hr/> <hr/>

BENCHMARK HOLDINGS LIMITED

BALANCE SHEET 30 SEPTEMBER 2002

	Notes	2002 £	2001 £ (As restated)
FIXED ASSETS			
Investments	4	1,103	1,103
CURRENT ASSETS			
Debtors: due within one year			1
Debtors: due after more than one year	5	2,680	
	5	60,000	60,000
Cash at bank and in hand		2	-
		<u>62,682</u>	<u>60,001</u>
CREDITORS: amounts falling due within one year	7	(65,126)	(61,101)
NET CURRENT LIABILITIES		<u>(2,444)</u>	<u>(1,100)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,341)</u>	<u>3</u>
CAPITAL AND RESERVES			
Called up share capital	8	3	3
Profit and loss account	9	(1,344)	-
		<u>(1,341)</u>	<u>3</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board on 29 April 2003

Signed on behalf of the board of directors

M D F Pye

Director

Ms R Layton

Director

R J Bonney

Director

BENCHMARK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2002

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

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).

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.

(b) Investments

Fixed asset investments are included at cost.

2 OPERATING LOSS

The operating loss is stated after charging:

	Year ended 30 September 2002 £	Ten months ended 30 September 2001 £
Audit fees	1,200	-

No directors received any emoluments (2001 - £NIL).

3 TAXATION

The tax losses arising in the year have been utilised by the company's subsidiary undertakings.

BENCHMARK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2002

4 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 October 2001	
and 30 September 2002	1,103
Net book amount	
At 30 September 2002	1,103
At 30 September 2001	1,103

The company holds the following investments in subsidiary undertakings:

Name	Country of incorporation/ registration and operation	Type of share	% of nominal value of shares	Profit for the year		Aggregate capital and reserves	
				2002	2001	2002	2001
				£	£	£	£
RL Consulting Limited	England	Ordinary	100	18,391	(7,189)	11,302	(7,089)
FAI Farms Limited	England	Ordinary	100	(12,498)	(2,951)	(14,448)	(1,950)
Poultry Health Services Limited	England	Ordinary	60	99,734	(15,345)	84,394	(15,340)

5 DEBTORS

	2002 £	2001 £ (As restated)
Amounts owed by group undertakings	62,597	60,000
Other debtors	83	1
	<u>62,680</u>	<u>60,001</u>

Included in debtors are amounts of £60,000 (2001 - £60,000) falling due after more than one year from the balance sheet date.

BENCHMARK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2002

6 CURRENT ASSET INVESTMENTS

	2002 £	2001 £ (As restated)
Shares in group undertakings	-	58,997
Less: prior year adjustment	-	(58,997)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

In 2001, £58,997 had been classified as a current asset investment in the financial statements. This amount actually related to amounts owed by and owed to the company's subsidiaries. Amounts have now been reclassified as £60,000 due from group undertakings falling due after more than one year included in debtors (note 4) and £1,003 due to group undertakings falling due within one year included in creditors (note 6).

The effect on the profit and loss reserves and shareholder funds is £Nil.

7 CREDITORS:

Amounts falling due within one year

	2002 £	2001 £ (As restated)
Amounts owed to group undertakings	1,100	1,103
Other creditors	64,026	59,998
	<u>65,126</u>	<u>61,101</u>
	<u>65,126</u>	<u>61,101</u>

8 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid No	£
At 1 October 2001 and 30 September 2002			
Ordinary shares of £1 each	500,000	3	3
	<u>500,000</u>	<u>3</u>	<u>3</u>

9 RESERVES

	£
Profit and loss account	
At 1 October 2001	-
Loss for the year	(1,344)
	<u>(1,344)</u>
At 30 September 2002	<u>(1,344)</u>

BENCHMARK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2002

10 TRANSACTIONS WITH RELATED PARTIES

Included within debtors is an amount of £1 (2001 - £1) due from R Layton, a director.

Included within debtors is an amount of £36,000 (2001 - £36,000) due from FAI Farms Limited, a subsidiary.

Included within debtors is an amount of £26,600 (2001 - £24,000) due from Poultry Health Services Limited, a subsidiary.

Included within other creditors is an amount of £627 (2001 - £1 debtor) due to R J Bonney, a director.

Included within other creditors is an amount of £59,999 (2001 - £59,999) due to M D F Pye, a director.

Included within creditors is £1,103 (2001 - £1,103) for unpaid share capital due to FAI Farms Limited of £1,000 (2001 - £1,000), R L Consulting Limited of £100 (2001 - £100) and Poultry Health Services Limited of £3 (2001 - £3).

During the year the company recharged expenses to its subsidiary companies totalling £8,805, being £1,410 to R L Consulting Limited, £3,060 to FAI Farms Limited and £4,335 to Poultry Health Services Limited. Poultry Health Services Limited was also charged £2,600 for management services.

11 POST BALANCE SHEET EVENTS

In March 2003 the company acquired a 60% interest in 5M Enterprises Limited, a company incorporated in England and Wales whose principal activities are that of publishing and advisory services to the farming industry.

12 CONTROLLING PARTIES

The company is controlled by the directors.