

REGISTERED NUMBER
1838819
England and Wales

B TICKLE & SONS LIMITED
ANNUAL REPORT AND ACCOUNTS
31 DECEMBER 1995



B Tickle & Sons Limited

DIRECTORS	A E Tickle G S Tickle Mrs E M Tickle
SECRETARY	A E Tickle
REGISTERED OFFICE	26 Green End Lane Peasley Cross St Helens Merseyside
REGISTERED NUMBER	1838819 England and Wales
AUDITORS	Edmund Shew & Co Chartered Accountants 35 Westfield Street St Helens Merseyside WA10 1QD
BANKERS	National Westminster Bank Plc Ormskirk Street St Helens Merseyside
SOLICITORS	Messrs Dibb Lupton Alsop India Buildings Water Street Liverpool Merseyside

Annual Report and Accounts - 31 December 1995

Pages	1&2	Report of the Directors
	3	Report of the Auditors
		Accounts, comprising
	4	Profit and loss account
	4	Statement of total recognised gains and losses
	5	Balance Sheet
	6	Statement of Cash Flows
	7-12	Notes to the Accounts

The following pages do not form part of the statutory accounts

13&14 Detailed profit and loss account.

B Tickle & Sons Limited

REPORT OF THE DIRECTORS

The directors present their annual report with the accounts of the company for the year ended 31 December 1995.

The loss for the year after taxation amounted to £250197. The directors do not recommend that any dividends be paid.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company in the year under review was that of general agricultural produce millers, grinders and merchants. On 28 February 1995 the company's pelleting plant at the St Helens site was closed. Whilst production was then to have been transferred to the Speke site, delays occurred in the completion of the installations there. This disruption gave rise to loss of turnover and thus loss of profits. The directors attribute this as being the main reason for the poor trading results for the year.

The new mill at Speke now provides substantially increased production capacity. The company is thus in a good position to take advantage of any opportunities which may arise in the future.

FUTURE DEVELOPMENTS

The directors management policies are to maintain the growth of the company as a result of the new and improved production facilities.

This restructuring is expected to ensure the company's return to profitability and also to ensure that the company continues to operate as a going concern.

FIXED ASSETS

The significant changes in tangible fixed assets during the year arose principally from the completion of the installation of the new mill at the Speke Plant and allied improvements to plant and machinery, totalling £260307.

Details of the company's fixed assets are in notes 8 and 9 of the Accounts.

EVENTS SINCE THE BALANCE SHEET DATE

The company's stability continues to improve despite adverse market conditions and public opinion connected with the animal feed trade.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	<u>31 December 1995</u>	<u>1 January 1995</u>
A E Tickle	50000	50000
G S Tickle	50000	50000
Mrs E M Tickle	None	None

B Tickle & Sons Limited

REPORT OF THE DIRECTORS CONTINUED

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

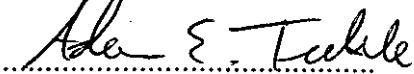
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis 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 accounts 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, Edmund Shew & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Signed on behalf of the board of directors



A E Tickle

Director

Approved by the board 28 October 1996

Auditors' Report to the Shareholders of B Tickle & Sons Limited

We have audited the accounts on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies as set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

FUNDAMENTAL UNCERTAINTY

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the ability of the company to meet its liabilities as they fall due, this being dependent on the continued support of its bankers. The financial statements have been prepared on a going concern basis, the validity of which depends upon future funding being available. The financial statements do not include any adjustments which would result from a failure to obtain such funding. Our opinion is not qualified in this respect.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

28 October 1996

35 Westfield Street
St Helens



EDMUND SHEW & CO
Chartered Accountants
and Registered Auditors

B Tickle & Sons Limited**Profit and loss account for the year ended 31 December 1995**

	<u>Notes</u>	1995 £	1994 £
TURNOVER	2	4845807	7111744
Cost of sales		(4562273)	(6527539)
GROSS PROFIT		283534	584205
Distribution costs		(129723)	(141220)
Administrative expenses		(390582)	(390481)
OPERATING (LOSS)/PROFIT	3	(236771)	52504
Profit on disposal of fixed assets		131	2134
Interest Received and Property Income		7835	11350
Interest payable	6	(48453)	(20396)
(LOSS)/PROFIT on ordinary activities before taxation		(277258)	45592
TAX on Profit on ordinary activities	7	27061	5983
(LOSS)/PROFIT for the financial year after taxation		(250197)	51575
DIVIDENDS paid		-	-
RETAINED (LOSS)/PROFIT for the financial year		(250197)	51575
RETAINED PROFIT at 1 January 1995		345913	294338
RETAINED PROFIT at 31 December 1995		95716	345913

Statement of Total Recognised Gains and Losses for the year ended 31 December 1995

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

Statement of Continuing Operations for the year ended 31 December 1995

None of the company's activities were acquired or discontinued during the above two financial years.


B Tickle & Sons Limited

Balance Sheet - 31 December 1995

	<u>Notes</u>	1995 £	1994 £
FIXED ASSETS			
Intangible assets	8	1	1
Tangible assets	9	1026299	897120
		1026300	897121
CURRENT ASSETS			
Stocks	10	114772	149827
Debtors	11	541467	791470
Cash in hand	12	3	62
		656242	941359
CREDITORS: amounts falling due within one year	13	(1385826)	(1328129)
NET CURRENT LIABILITIES		(729584)	(386770)
TOTAL ASSETS LESS CURRENT LIABILITIES		296716	510351
CREDITORS: amounts falling due after more than one year			
Hire Purchase Obligations	14	-	(1438)
Directors' Pension Fund Loan	14	(101000)	(63000)
NET ASSETS		195716	445913
CAPITAL AND RESERVES			
Called up share capital	15	100000	100000
Profit and loss account		95716	345913
SHAREHOLDERS' FUNDS (all equity)	16	195716	445913

The directors have taken advantage of special exemptions conferred by Section B Part III of Schedule 8 to the Companies Act 1985 applicable to medium companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

Signed on behalf of the board of directors



A E Tickle
Director

Approved by the board 28 October 1996

B Tickle & Sons Limited**Statement of Cash Flows for the year ended 31 December 1995**

	<u>Notes</u>	1995 £	1994 £
Net Cash (Outflow)/Inflow from Operating Activities	3b	(71495)	420104
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received and property income		7835	11350
Interest paid		(48453)	(20396)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(40618)	(9046)
TAXATION			
Corporation Tax Credit		27061	5983
TAX REFUND		27061	5983
INVESTING ACTIVITIES			
Payments to acquire tangible fixed assets		(286088)	(465763)
Receipts from sales of tangible fixed assets		9936	6550
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(276152)	(459213)
NET CASH OUTFLOW BEFORE FINANCING		(361204)	(42172)
FINANCING			
Decrease in cash and cash equivalents	12	(361204)	(42172)

B Tickle & Sons Limited

Notes to the Accounts - 31 December 1995

1 ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared under the historical cost convention.

Going Concern

The accounts have been prepared on the basis that the company continues to operate as a going concern. This in turn is dependent upon the continued support of the company's bankers.

Turnover

Turnover represents net invoiced sales of goods, excluding VAT.

Goodwill

Goodwill is the difference between the amount paid on the acquisition of the trading assets of Special Milling Ltd and the aggregate fair value of the separable net assets. It is not being amortised.

Tangible fixed assets

These are recorded at cost.

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

Freehold Land and Buildings 2% on cost on straight line basis
Plant and Machinery etc 15% and 25% both on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items, on a first-in, first-out basis. Net realisable value is based on estimated selling price less any further costs expected to be incurred to disposal.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The corresponding lease or hire purchase obligation is capitalised in the balance sheet as a liability. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lesser are charged against profit as incurred.

Pension Costs

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme. Contributions to the Director's self administered scheme are similarly charged.

B Tickle & Sons LimitedNotes to the accounts - 31 December 1995 continued**2 TURNOVER**

Turnover is attributable to one continuing activity, that of general agricultural produce millers, grinders and merchants. An analysis of turnover by geographical market is given below

United Kingdom

Malta Cyprus and the Falklands

1995	1994
£	£

4744274 7019527

101533 92217

4845807 7111744

3a OPERATING LOSS

The operating Loss (1994 - Profit) is stated after charging:

Depreciation of owned tangible fixed assets

Depreciation of assets held under hire purchase contracts

Amortisation of Freehold Land and Buildings

Auditors' remuneration

Directors' pension fund contributions

1995	1994
£	£

138332 80739

3708 4944

5064 5066

17736 13993

NIL NIL

3b Reconciliation of operating profit to net cash in flow from operating activities.

Operating (Loss)/Profit

Depreciation

Amortisation of Freehold Land and Buildings

Decrease/(Increase) in Debtors

Decrease/(Increase) in Stocks

Decrease/(Increase) in Creditors

Net Cash (Outflow)/Inflow

1995	1994
£	£

(236771) 52504

142040 85683

5064 5066

250003 (70669)

35055 (11945)

(266886) 359465

(71495) 420104

4 DIRECTORS EMOLUMENTS

Fees

Other Emoluments

Benefits in Kind

1995	1994
£	£

- 40000

65887 65786

65887 105786

2404 2333

68291 108119

Directors emoluments above, excluding pension contributions which were nil in both 1994 and 1995, fell within the following ranges:-

£10001 - £15000

£25001 - £30000

£45001 - £50000

1995	1994
No	No

1 1

2 -

- 2

The emoluments, excluding pension contributions, of the chairman were £28071 (1994 - £47379)

The emoluments, excluding pension contributions, of the highest paid director were £28337 (1994 - £48341)

B Tickle & Sons Limited

Notes to the accounts - 31 December 1995 continued

5	STAFF COSTS	1995 £	1994 £
	Wages and Salaries	196250	215875
	Social Security Costs	31919	30627
	Other Pension Costs	9010	10476
		<u>237179</u>	<u>256978</u>
	The average weekly number of employees during the year was as follows:-	1995 No	1994 No
	Administration	7	8
	Manufacturing	11	15
		<u>18</u>	<u>23</u>
6	INTEREST PAYABLE	1995 £	1994 £
	Bank Overdraft	39388	13543
	Other loans not wholly repayable within five years.	8357	6145
	Finance charges payable under hire purchase contracts	708	708
		<u>48453</u>	<u>20396</u>
7	TAX ON PROFIT ON ORDINARY ACTIVITIES	1995 £	1994 £
	Based on Profit for the Year		
	Corporation Tax at 25%	-	-
	Corporation Tax Overprovided in previous years	(27061)	(5983)
		<u>(27061)</u>	<u>(5983)</u>
8	INTANGIBLE FIXED ASSETS		Goodwill £
	Cost		
	At 1 January 1995		1
	Additions		-
	Disposals		-
	At 31 December 1995		<u>1</u>
	Amortisation		
	At 1 January 1995		-
	On disposals		-
	Charge for the year		-
	At 31 December 1995		<u>-</u>
	Net book values		
	At 31 December 1995		<u>1</u>
	At 31 December 1994		<u>1</u>

B Tickle & Sons Limited

Notes to the Accounts - 31 December 1995 continued.

9 TANGIBLE FIXED ASSETS

Cost

At 1 January 1995

Additions

Disposals

At 31 December 1995

Depreciation

At 1 January 1995

On disposals

Charge for year

At 31 December 1995

Net book values

At 31 December 1995

At 31 December 1994

Freehold Land & Buildings	Plant & Machinery Etc	Total
£	£	£
253299	921719	1175018
25781	260307	286088
-	(12000)	(12000)
279080	1170026	1449106
5066	272832	277898
-	(2195)	(2195)
5064	142040	147104
10130	412677	422807
268950	757349	1026299
248233	648887	897120

The net book value of plant and machinery above includes an amount of £11138 (1994 £14846) in respect of an asset held under an hire purchase contract. The Freehold Land and Buildings were revalued on 18 June 1996 (note 19 refers).

10 STOCKS

Stocks for Resale

Consumables

11 DEBTORS

Trade debtors

Other Debtors

Amounts owed by associated companies

Prepayments

12 CASH AND CASH EQUIVALENTS

At 1 January

Cash in Hand

Bank Overdraft

Net Cash Outflow

At 31 December

Cash in Hand

Bank Overdraft

1995	1994
£	£
111714	146522
3058	3305
114772	149827
1995	1994
£	£
456287	684560
68271	72625
1393	1203
15516	33082
541467	791470
1995	1994
£	£
62	101
(159535)	(117402)
(159473)	(117301)
361204	42172
1995	1994
£	£
3	62
(520680)	(159535)
(520677)	(159473)

B Tickle & Sons LimitedNotes to the Accounts - 31 December 1995 continued

13	CREDITORS: amounts falling due within one year	1995 £	1994 £
	Bank overdraft (secured)	520680	159535
	Trade creditors	766074	700178
	Other creditors	72743	433326
	Directors' pension fund loan	12000	12000
	Hire purchase obligations	1438	5712
	Taxation and social security	6128	10875
	Accruals	6763	6503
		1385826	1328129
	PRIOR YEAR NOTE		
	Other creditors at 31 December 1994 included £351235 in respect of Value Added Tax refunded in December 1994, and paid over to a third party in January 1995		
	The bank overdraft is secured by a floating charge on the assets of the company, plus the personal guarantees of various of the directors.		
		1995 £	1994 £
14	CREDITORS: amounts falling due after more than one year		
	Hire purchase obligations	-	1438
	Directors Pension Fund Loan	101000	63000
	Debt due after more than one year	101000	64438
	Hire Purchase repayable as follows in instalments:-		
	Between 1 - 2 years	-	1438
	Between 2 - 5 years	-	-
		-	1438
	Directors Pension Fund Loan repayable as follows in instalments:-		
	Between 1 - 2 years	12000	12000
	Between 2 - 5 years	36000	36000
	In 5 years or more (repayable at £12000 per annum, plus interest at 3% above Clearing Bank Base Rate)	53000	15000
		101000	63000
15	CALLED UP SHARE CAPITAL		
	Authorised 100000 ordinary shares of £1 each	1995 £	1994 £
	Allotted, called up and fully paid 100000 ordinary shares of £1 each	100000	100000
		100000	100000
16	RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS		
	(Loss)/Profit for the financial year after taxation	(250197)	51575
	Opening shareholders' funds at 1 January 1995	445913	394338
	Closing shareholders' funds at 31 December 1995	195716	445913

B Tickle & Sons Limited

Notes to the Accounts - 31 December 1995 continued

17 COMMITMENTS

Capital Commitments

At 31 December 1995 capital expenditure commitments were as follows:

Contracted but not provided for in the accounts

Authorised by the directors but not contracted for

1995
£

1994
£

33236

-

-

261810

Pension Commitments

The company operates two pension schemes; a defined contribution pension scheme on behalf of certain of its employees and a self administered scheme on behalf of certain of its directors. The assets of the schemes are held separately from those of the company in independently administered funds.

Contributions are paid based upon the recommendations of qualified actuaries.

The annual commitments under these schemes are variable.

18 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 1995.

At 31 December 1994, a contingent liability arose in connection with the installation of the new plant at the Speke premises under dispute with the contractors. The company had made a counterclaim against the contractors for disruption and loss of profits arising from late completion. Ultimately neither claim was pursued.

19 POST BALANCE SHEET EVENTS

The company's Freehold Land and Buildings were revalued at £430000 on 18 June 1996 by Messrs Edward Symmons and Partners, consultant valuers of Liverpool.