

DAVID PRICE FOOD SERVICES LIMITED
ABBREVIATED ACCOUNTS
31st AUGUST 2008



DAVID PRICE FOOD SERVICES LIMITED

ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

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DAVID PRICE FOOD SERVICES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

D G Price
Mrs S E Price
P A Martin

Company secretary

D G Price

Registered office

Kittiwake Close
Silverlink Business Park
Wallsend
Tyne and Wear
NE28 9ND

Auditor

Tait Walker
Chartered Accountants
& Registered Auditors
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Bankers

Yorkshire Bank
Newport House
Teesdale South
Thornaby Place
Thornaby
TS17 6SE

Solicitors

Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

DAVID PRICE FOOD SERVICES LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

The directors have pleasure in presenting their report and the financial statements of the company for the period from 27th August 2007 to 31st August 2008.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the period continued to be those of hauliers and warehousemen.

Following previous losses stated in 2006/07, due to restructuring and the opening of the South Yorkshire depot, as anticipated the Company is now trading at the required profit margin.

The Gross Profit Margin has increased to 11.29%, from 6.79% (2006/07).

Presently, the company is looking into further expansion of its Refrigerated Storage & Distribution network.

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £261,462. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

The company has an established, structured approach to risk management. The company's activities expose it to a variety of financial risks, including credit, liquidity and cash flow, and interest rate risks. The company has adopted risk management policies that seek to mitigate these risks in a cost effective manner. Financial assets that expose the company to financial risk consist primarily of trade debtors and cash. Financial liabilities that expose the company to financial risk consist principally of trade creditors, loans and hire purchase agreements.

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. The company has credit insurance products in place and also performs ongoing credit evaluation of its customers' financial condition.

Liquidity risk is the risk that the company does not have sufficient liquid assets to meet its obligations as they fall due. Liquidity is maintained at a prudent level and the company ensures there is an adequate liquidity buffer to cover contingencies. The company maintains sufficient cash and open committed credit lines from banks for its funding requirements.

DIRECTORS

The directors who served the company during the period were as follows:

D G Price
Mrs S E Price
P A Martin

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

DAVID PRICE FOOD SERVICES LIMITED

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES *(continued)*

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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; and
- 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 that 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

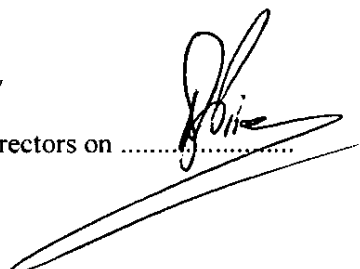
On the 11th March 2008 Tait Walker were appointed as auditors replacing Rycroft Glenton.

A resolution to re-appoint Tait Walker as auditor for the ensuing year will be proposed at the annual general meeting.

Signed on behalf of the directors

D G Price
Company Secretary

Approved by the directors on
02/01/09



DAVID PRICE FOOD SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE COMPANY
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 5 to 19, together with the financial statements of David Price Food Services Limited for the period from 27th August 2007 to 31st August 2008 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 work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A 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 Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision 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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

06/01/09



TAIT WALKER
Chartered Accountants
& Registered Auditors

DAVID PRICE FOOD SERVICES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

		Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
GROSS PROFIT	Note	1,134,207	600,472
Administrative expenses		780,723	657,484
OPERATING PROFIT/(LOSS)	2	353,484	(57,012)
Profit on disposal of fixed assets		32,345	33,588
		385,829	(23,424)
Interest receivable		—	1,526
Interest payable and similar charges	5	(105,510)	(109,886)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		280,319	(131,784)
Tax on profit/(loss) on ordinary activities	6	18,857	(11,637)
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		261,462	(120,147)

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 10 to 19 form part of these abbreviated accounts.

DAVID PRICE FOOD SERVICES LIMITED

ABBREVIATED BALANCE SHEET

31st AUGUST 2008

	Note	31 Aug 08		26 Aug 07	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		3,659,477		3,531,347
CURRENT ASSETS					
Debtors	8	2,059,776		2,003,996	
Cash in hand		1,377		704	
		<u>2,061,153</u>		<u>2,004,700</u>	
CREDITORS: amounts falling due within one year	9	<u>2,045,273</u>		<u>2,262,813</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>15,880</u>		<u>(258,113)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,675,357</u>		<u>3,273,234</u>
CREDITORS: amounts falling due after more than one year	10		<u>1,290,367</u>		<u>1,164,982</u>
			<u>2,384,990</u>		<u>2,108,252</u>
PROVISIONS FOR LIABILITIES					
Deferred taxation	14		<u>218,397</u>		<u>203,121</u>
			<u>2,166,593</u>		<u>1,905,131</u>
CAPITAL AND RESERVES					
Called-up share capital	16		101,000		101,000
Profit and loss account	17		2,065,593		1,804,131
SHAREHOLDERS' FUNDS	18		<u>2,166,593</u>		<u>1,905,131</u>

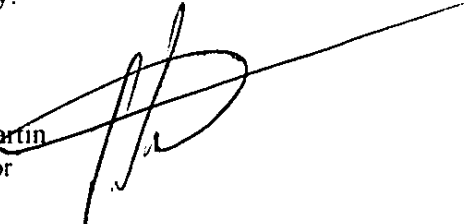
These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors and authorised for issue on 02/01/09, and are signed on their behalf by:

D G Price
Director



P A Martin
Director



The notes on pages 10 to 19 form part of these abbreviated accounts.

DAVID PRICE FOOD SERVICES LIMITED

CASH FLOW STATEMENT

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

	Period from 27 Aug 07 to 31 Aug 08		Period from 28 Aug 06 to 26 Aug 07	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		902,008		479,857
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received		-		1,526
Interest paid		(29,815)		(37,159)
Interest element of hire purchase		(75,695)		(72,727)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(105,510)		(108,360)
TAXATION		-		46,574
CAPITAL EXPENDITURE				
Payments to acquire tangible fixed assets		(915,036)		(1,280,384)
Receipts from sale of fixed assets		183,281		102,100
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(731,755)		(1,178,284)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		64,743		(760,213)
FINANCING				
Increase in/(repayment of) bank loans		127,355		(64,004)
Capital element of hire purchase		66,056		537,411
NET CASH INFLOW FROM FINANCING		193,411		473,407
INCREASE/(DECREASE) IN CASH		258,154		(286,806)

The notes on pages 10 to 19 form part of these abbreviated accounts.

DAVID PRICE FOOD SERVICES LIMITED

CASH FLOW STATEMENT *(continued)*

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Operating profit/(loss)	353,484	(57,012)
Depreciation	635,970	630,512
Increase in debtors	(55,780)	(239,575)
(Decrease)/increase in creditors	<u>(31,666)</u>	<u>145,932</u>
Net cash inflow from operating activities	<u>902,008</u>	<u>479,857</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	31 Aug 08 £	£	26 Aug 07 £	£
Increase/(decrease) in cash in the period	258,154		(286,806)	
Net cash (inflow) from/outflow from bank loans	(127,355)		64,004	
Cash outflow in respect of hire purchase	<u>(66,056)</u>		<u>(537,411)</u>	
		64,743		(760,213)
Change in net debt		64,743		(760,213)
Net debt at 27 August 2007		<u>(2,200,257)</u>		<u>(1,440,044)</u>
Net debt at 31 August 2008		<u>(2,135,514)</u>		<u>(2,200,257)</u>

The notes on pages 10 to 19 form part of these abbreviated accounts.

DAVID PRICE FOOD SERVICES LIMITED

CASH FLOW STATEMENT *(continued)*

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

ANALYSIS OF CHANGES IN NET DEBT

	At 27 Aug 2007 £	Cash flows £	At 31 Aug 2008 £
Net cash:			
Cash in hand and at bank	704	673	1,377
Overdrafts	(440,754)	257,481	(183,273)
	<u>(440,050)</u>	<u>258,154</u>	<u>(181,896)</u>
Debt:			
Debt due within 1 year	(63,996)	(12,004)	(76,000)
Debt due after 1 year	(230,482)	(115,351)	(345,833)
Hire purchase agreements	(1,465,729)	(66,056)	(1,531,785)
	<u>(1,760,207)</u>	<u>(193,411)</u>	<u>(1,953,618)</u>
Net debt	<u>(2,200,257)</u>	<u>64,743</u>	<u>(2,135,514)</u>

The notes on pages 10 to 19 form part of these abbreviated accounts.

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

1. ACCOUNTING POLICIES

Basis of accounting

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

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	3 to 50 years straight line
Plant & Machinery	-	2 to 30 years straight line
Motor Vehicles	-	3 to 8 years straight line
Equipment	-	3 to 5 years straight line

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation *(continued)*

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Deferred grants

Grants in respect of capital expenditure are credited to a deferred income account and released to the profit and loss account over the expected useful life of the relevant assets by equal instalments.

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Depreciation of owned fixed assets	306,462	270,046
Depreciation of assets held under hire purchase agreements	329,508	360,466
Auditor's remuneration		
- as auditor	12,775	12,770
Operating lease costs:		
- Plant and equipment	32,932	39,998
- Other	—	1,865

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial period amounted to:

	Period from 27 Aug 07 to 31 Aug 08 No	Period from 28 Aug 06 to 26 Aug 07 No
Directors	3	3
Clerical and administration	14	8
Transport	73	74
Coldstore	32	32
	<u>122</u>	<u>117</u>

The aggregate payroll costs of the above were:

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Wages and salaries	2,589,627	2,251,747
Social security costs	250,855	213,764
Other pension costs	23,433	21,280
	<u>2,863,915</u>	<u>2,486,791</u>

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Aggregate emoluments	150,907	118,283
Value of company pension contributions to money purchase schemes	23,433	19,000
	<u>174,340</u>	<u>137,283</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	Period from 27 Aug 07 to 31 Aug 08 No	Period from 28 Aug 06 to 26 Aug 07 No
Money purchase schemes	<u>3</u>	<u>3</u>

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Interest payable on bank borrowing	29,815	37,159
Finance charges	75,695	72,727
	<u>105,510</u>	<u>109,886</u>

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Current tax:		
UK Corporation tax based on the results for the period at 20% (2007 - 19.40%)	3,581	-
Total current tax	<u>3,581</u>	-
Deferred tax:		
Origination and reversal of timing differences (note 14)		
Capital allowances	(48,481)	52,120
Losses	<u>63,757</u>	<u>(63,757)</u>
Total deferred tax (note 14)	<u>15,276</u>	<u>(11,637)</u>
Tax on profit/(loss) on ordinary activities	<u>18,857</u>	<u>(11,637)</u>

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

6. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 20% (2007 - 19.40%).

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Profit/(loss) on ordinary activities before taxation	<u>280,319</u>	<u>(131,784)</u>
Profit/(loss) on ordinary activities by rate of tax	56,064	(25,566)
Expenses not deductible for tax purposes	3,828	3,556
Capital allowances for period in excess of depreciation	6,980	(35,635)
Utilisation of tax losses	(63,757)	-
Unrelieved tax losses	-	58,054
Sundry tax adjusting items	466	(409)
Total current tax (note 6(a))	<u>3,581</u>	<u>-</u>

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Equipment £	Total £
COST					
At 27 August 2007	1,155,042	1,373,902	3,484,346	189,341	6,202,631
Additions	2,194	16,158	888,948	7,736	915,036
Disposals	(11,624)	(218,876)	(651,511)	(130,613)	(1,012,624)
At 31 August 2008	<u>1,145,612</u>	<u>1,171,184</u>	<u>3,721,783</u>	<u>66,464</u>	<u>6,105,043</u>
DEPRECIATION					
At 27 August 2007	239,893	918,300	1,369,431	143,660	2,671,284
Charge for the period	23,195	91,661	496,350	24,764	635,970
On disposals	(11,619)	(218,848)	(504,384)	(126,837)	(861,688)
At 31 August 2008	<u>251,469</u>	<u>791,113</u>	<u>1,361,397</u>	<u>41,587</u>	<u>2,445,566</u>
NET BOOK VALUE					
At 31 August 2008	<u>894,143</u>	<u>380,071</u>	<u>2,360,386</u>	<u>24,877</u>	<u>3,659,477</u>
At 26 August 2007	<u>915,149</u>	<u>455,602</u>	<u>2,114,915</u>	<u>45,681</u>	<u>3,531,347</u>

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

7. TANGIBLE FIXED ASSETS *(continued)*

Hire purchase agreements

Included within the net book value of £3,659,477 is £2,153,366 (2007 - £1,977,254) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the period in respect of such assets amounted to £329,508 (2007 - £360,466).

Capital commitments

	31 Aug 08 £	26 Aug 07 £
Contracted but not provided for in the financial statements	<u>209,245</u>	<u>108,000</u>

8. DEBTORS

	31 Aug 08 £	26 Aug 07 £
Trade debtors	1,852,697	1,815,916
Amounts owed by group undertakings	42,139	42,139
Other debtors	–	20
Prepayments and accrued income	164,940	145,921
	<u>2,059,776</u>	<u>2,003,996</u>

9. CREDITORS: amounts falling due within one year

	31 Aug 08 £	26 Aug 07 £
Bank loans and overdrafts	259,273	504,750
Trade creditors	836,888	872,937
Taxation and social security	213,485	214,058
Hire purchase agreements	587,251	531,229
Directors current accounts	20	–
Accruals and deferred income	148,356	139,839
	<u>2,045,273</u>	<u>2,262,813</u>

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

9. CREDITORS: amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	31 Aug 08	26 Aug 07
	£	£
Bank loans and overdrafts	259,273	504,750
Hire purchase agreements	587,251	531,229
	<u>846,524</u>	<u>1,035,979</u>

The bank loans and overdraft are secured by a legal mortgage on the coldstore and 2.1 acres of land at Silverlink Industrial Estate, Wallsend and by a fixed and floating charge over the assets of the company.

The hire purchase creditors are secured on the assets to which they relate.

10. CREDITORS: amounts falling due after more than one year

	31 Aug 08	26 Aug 07
	£	£
Bank loans and overdrafts	345,833	230,482
Hire purchase agreements	944,534	934,500
	<u>1,290,367</u>	<u>1,164,982</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	31 Aug 08	26 Aug 07
	£	£
Bank loans and overdrafts	345,833	230,482
Hire purchase agreements	944,534	934,500
	<u>1,290,367</u>	<u>1,164,982</u>

The bank loans and overdraft are secured by a legal mortgage on the coldstore and 2.1 acres of land at Silverlink Industrial Estate, Wallsend and by a fixed and floating charge over the assets of the company.

The hire purchase creditors are secured on the assets to which they relate.

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

10. CREDITORS: amounts falling due after more than one year *(continued)*

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	31 Aug 08	26 Aug 07
	£	£
Bank loans and overdrafts	<u>112,666</u>	<u>-</u>

11. CREDITORS - CAPITAL INSTRUMENTS

Creditors include finance capital which is due for repayment as follows:

	31 Aug 08	26 Aug 07
	£	£
Amounts repayable:		
In one year or less or on demand	259,273	504,750
In more than one year but not more than two years	76,000	50,000
In more than two years but not more than five years	157,167	180,482
In more than five years	<u>112,666</u>	<u>-</u>
	<u>605,106</u>	<u>735,232</u>

12. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	31 Aug 08	26 Aug 07
	£	£
Amounts payable within 1 year	587,251	531,229
Amounts payable between 1 and 2 years	534,392	527,993
Amounts payable between 3 and 5 years	<u>410,142</u>	<u>406,507</u>
	<u>1,531,785</u>	<u>1,465,729</u>

13. PENSIONS

The company operates a defined pension contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to £23,433 (2007 - £21,280).

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

14. DEFERRED TAXATION

The movement in the deferred taxation provision during the period was:

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Provision brought forward	203,121	214,758
Profit and loss account movement arising during the period	15,276	(11,637)
Provision carried forward	<u>218,397</u>	<u>203,121</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	31 Aug 08 £	26 Aug 07 £
Excess of taxation allowances over depreciation on fixed assets	218,397	266,878
Tax losses available	-	(63,757)
	<u>218,397</u>	<u>203,121</u>

15. COMMITMENTS UNDER OPERATING LEASES

At 31st August 2008 the company had annual commitments under non-cancellable operating leases as set out below.

	31 Aug 08		26 Aug 07	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire:				
Within 1 year	-	6,861	-	-
Within 2 to 5 years	161,000	30,178	-	27,434
After more than 5 years	-	-	-	8,789
	<u>161,000</u>	<u>37,039</u>	<u>-</u>	<u>36,223</u>

16. SHARE CAPITAL

Authorised share capital:

	31 Aug 08 £	26 Aug 07 £
100,000 Ordinary shares of £1 each	100,000	100,000
100,000 Preference shares of £1 each	100,000	100,000
	<u>200,000</u>	<u>200,000</u>

DAVID PRICE FOOD SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 27th AUGUST 2007 TO 31st AUGUST 2008

16. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	31 Aug 08		26 Aug 07	
	No	£	No	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
Preference shares of £1 each	100,000	100,000	100,000	100,000
	<u>101,000</u>	<u>101,000</u>	<u>101,000</u>	<u>101,000</u>

Share rights

The preference shares carry the right to a fixed non-cumulative dividend at the rate of 1% per annum out of the profits of the company available for distribution and resolved to be distributed in respect of that year. They carry no rights, in the case of a deficiency, to resort to the profits of subsequent financial years or any other accounting period in priority to any payment of dividend on the ordinary shares in the capital of the company. They have a preferential right to a return on capital in a winding up or a reduction in capital involving repayment of capital.

The preference shares do not entitle the holders thereof to receive notice of or attend or vote at any general meeting of the company and carry no other rights to participate in the profits or assets of the company.

17. PROFIT AND LOSS ACCOUNT

	Period from 27 Aug 07 to 31 Aug 08 £	Period from 28 Aug 06 to 26 Aug 07 £
Balance brought forward	1,804,131	1,924,278
Profit/(loss) for the financial period	261,462	(120,147)
Balance carried forward	<u>2,065,593</u>	<u>1,804,131</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 Aug 08 £	26 Aug 07 £
Profit/(Loss) for the financial period	261,462	(120,147)
Opening shareholders' funds	1,905,131	2,025,278
Closing shareholders' funds	<u>2,166,593</u>	<u>1,905,131</u>

19. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of David Price (Holdings) Limited, a company registered in England and Wales.