

LOOSE HALL FARM LIMITED

Company Information

Directors

**D J Morley
Mrs E V J Morley
A B Morley
R M Morley**

Secretary

Mrs E V J Morley

Company Number

517321 (England and Wales)

Registered Office

**The Farm Office
Loose Hall Drive
Hitcham
Ipswich
Suffolk IP7 7LY**

Auditors

**Turner & Ellerby
The Guildhall
Framlingham
Woodbridge
Suffolk IP13 9AZ**



LOOSE HALL FARM LIMITED

Contents

	Page
Directors' Report	1 - 2
Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Accounts	6 - 10

LOOSE HALL FARM LIMITED

REPORT OF THE DIRECTORS

The Directors present the Annual Report of the Company together with the Accounts for the year ended 31 March 2000.

Directors' responsibilities for Accounts

Company Law requires Directors to prepare Accounts in each year which give a true and fair view of the Company's state of affairs at the end of the year and the profit or loss for the year then ended.

In preparing those Accounts the Directors are required to select suitable accounting policies and apply them on a consistent basis, making adjustments and estimates that are prudent and reasonable. Those Accounts to be prepared on a going concern basis unless it is not appropriate to presume 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 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Activity

The principal activity of the Company continues to be farming land owned and rented by the Company on an "all arable" system.

Directors

The Directors in office in the year and their beneficial interests in the issued ordinary share capital were as follows:-

	<u>31/03/00</u>	<u>31/03/99</u>
D J Morley	10	10
Mrs E V J Morley	2	2
A B Morley	6,994	6,994
R M Morley	6,994	6,994

In addition, the following shares are held by, or on behalf of the children of D J Morley and Mrs E V J Morley:-

7,000	7,000
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LOOSE HALL FARM LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Year 2000 Compliance

The Directors have taken steps to ensure that the Company's systems are compliant with the millennium date. Having regard to the Company's trade and from enquiries made the Directors believe that the year 2000 problem will not otherwise have any material impact upon the Company's business. There can, however, be no certainty regarding this.

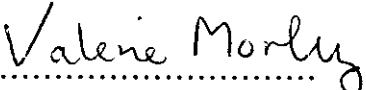
Small Company Rules

These Accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small Companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Auditors

The auditors, Messrs. Turner & Ellerby, will be proposed for re-appointment at the Annual General Meeting.

This Report was approved by the Board on 2 August 2000 and signed by Order of the Board.


.....
Mrs E V J Morley - Company Secretary

LOOSE HALL FARM LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the Accounts on pages four to ten which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of Directors and Auditors

As described on page one 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 statements 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.

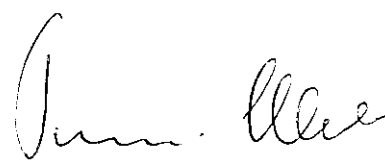
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Accounts are free from material misstatement, whether caused by fraud or other irregularity or error.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

Opinion

In our opinion the Accounts give a true and fair view of the state of the Company's affairs as at 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Turner & Ellerby
The Guildhall
Framlingham
Woodbridge
Suffolk IP13 9AZ

4 August 2000



Chartered Accountants
& Registered Auditors

LOOSE HALL FARM LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2000

	Notes	<u>2000</u>	<u>1999</u>
		£	£
Turnover	1/2	711,394	674,395
Cost of Sales		411,964	444,607
Gross Profit		<u>299,430</u>	<u>229,788</u>
Administration Expenses		61,940	59,193
Establishment Expenses		35,606	54,705
		<u>97,546</u>	<u>113,898</u>
Operating Profit	3	<u>201,884</u>	<u>115,890</u>
Interest Receivable		2,165	5,809
		<u>204,049</u>	<u>121,699</u>
Interest Payable		398	-
Profit on Ordinary Activities before Taxation		<u>203,651</u>	<u>121,699</u>
Taxation of Profit on Ordinary Activities	4	40,923	27,704
Profit on Ordinary Activities after Taxation		<u>162,728</u>	<u>93,995</u>
Dividend	5	21,000	21,000
Retained Profit for the Financial Year		<u>141,728</u>	<u>72,995</u>
Retained Profit at 1 April 1999		2,224,288	2,151,293
Retained Profit at 31 March 2000		<u><u>2,366,016</u></u>	<u><u>2,224,288</u></u>

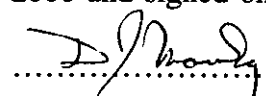
The notes on pages 6 to 10 form part of the Accounts

LOOSE HALL FARM LIMITED

BALANCE SHEET AS AT 31 MARCH 2000

	Notes	<u>2000</u>	<u>1999</u>
		£	£
Fixed Assets			
Tangible Fixed Assets	6	2,776,387	2,573,760
Investments	7	16	16
		<u>2,776,403</u>	<u>2,573,776</u>
Current Assets			
Stocks		398,736	364,035
Debtors	8	45,525	52,000
Cash at Bank		73,356	181,220
Cash in Hand		76	64
		<u>517,693</u>	<u>597,319</u>
Creditors: Amounts falling due within one year	9	164,340	183,067
		<u>353,353</u>	<u>414,252</u>
Total Assets Less Current Liabilities		<u>3,129,756</u>	<u>2,988,028</u>
Provision for Liabilities And Charges	10	37,500	37,500
		<u>3,092,256</u>	<u>2,950,528</u>
Capital And Reserves			
Called up Share Capital	11	21,000	21,000
Revaluation Reserve		705,240	705,240
Profit and Loss Account		2,366,016	2,224,288
Shareholders' Funds		<u>3,092,256</u>	<u>2,950,528</u>

The Accounts which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Small Entities were approved by the Board on 2 August 2000 and signed on its behalf.

.....

D J Morley - Director

The notes on pages 6 to 10 form part of the Accounts

LOOSE HALL FARM LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2000

1. Accounting Policies

1.1 Basis of Preparation of Accounts

The Company's Accounts are prepared in accordance with the historical cost convention, apart from the revalued freehold property, and include the results of the Company's operations which are described in the Directors' Report and all of which are continuing.

1.2 Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of Fixed Assets, less their estimated residual value, over their expected useful lives on the following basis:-

Machinery and Equipment	20% reducing balance basis
New Buildings etc.	10% straight line basis
Computer Equipment	25% reducing balance basis

1.3 Stocks

Stocks have been professionally valued in accordance with the Inland Revenue Business Economic Notes BEN19.

1.4 Turnover

Turnover represents the net sale of farm produce and services, excluding VAT.

1.5 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the Directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.6 Leasing and Hire Purchase

Assets obtained under Hire Purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by Hire Purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. 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.

LOOSE HALL FARM LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)

1.7 Pensions

The Company pays amounts into individual pension plans for its Directors. The pension charge represents the amounts payable by the Company in the year.

2. Turnover

The turnover and profit before taxation is attributable to the principal activity of the Company and occurred within the United Kingdom.

3. Operating Profit

2000

1999

£

£

The operating profit is stated:-

After charging:-

Directors' Emoluments:-

Salaries

21,000

21,000

Benefits

6,545

7,486

Individual Pension Plan Contributions

10,000

10,000

37,545

38,486

Auditors' Remuneration

1,350

1,175

Depreciation of Tangible Fixed Assets

108,287

105,065

4. Taxation

Corporation Tax:-

Current Year

40,923

25,204

Deferred Taxation (see note 10)

-

2,500

40,923

27,704

5. Dividends Paid

Final Dividend of £1 per share

21,000

21,000

LOOSE HALL FARM LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)

6. Tangible Fixed Assets

Cost or Valuation	<u>Freehold Property</u> £	<u>New Buildings & Improvs.</u> £	<u>Implements & Machinery</u> £	<u>Total</u> £
As at 1/4/1999	2,063,952	209,858	555,156	2,828,966
Additions	223,152	-	115,107	338,259
Disposals	-	-	(53,408)	(53,408)
As at 31/3/2000	<u>2,287,104</u>	<u>209,858</u>	<u>616,855</u>	<u>3,113,817</u>
Depreciation				
As at 1/4/1999	3,888	62,426	188,892	255,206
Charge for Year	-	17,452	90,835	108,287
Disposals	-	-	(26,063)	(26,063)
As at 31/3/2000	<u>3,888</u>	<u>79,878</u>	<u>253,664</u>	<u>337,430</u>
Net Book Values				
As at 31/3/1999	<u>2,060,064</u>	<u>147,432</u>	<u>366,264</u>	<u>2,573,760</u>
As at 31/3/2000	<u>2,283,216</u>	<u>129,980</u>	<u>363,191</u>	<u>2,776,387</u>

The Freehold Property was revalued in 1987 and is shown at that value, plus subsequent additions at cost.

Historical Cost Information	<u>2000</u> £	<u>1999</u> £
Historical cost of Revalued Freehold Property	1,581,864	1,358,712
Accumulated Depreciation	3,888	3,888
	<u>1,577,976</u>	<u>1,354,824</u>

LOOSE HALL FARM LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)

	<u>2000</u>	<u>1999</u>
	£	£
7. Investments		
Unlisted	16	16
	<u> </u>	<u> </u>
 8. Debtors		
Trade Debtors	39,574	46,192
VAT Recoverable	5,951	558
ACT Recoverable	-	5,250
	<u> </u>	<u> </u>
Due within one year	45,525	52,000
	<u> </u>	<u> </u>
 9. Creditors: Amounts falling due within one year		
Trade Creditors	112,769	139,456
Corporation Tax	40,924	25,204
Hire Purchase	-	6,783
Social Security and other Taxes	10,647	11,624
	<u> </u>	<u> </u>
	164,340	183,067
	<u> </u>	<u> </u>

LOOSE HALL FARM LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2000 (CONTINUED)

	<u>2000</u>	<u>1999</u>
	£	£
10. Deferred Taxation		
The amount provided for Deferred Taxation is in respect of accelerated Capital Allowances as follows:-		
Potential Liability at 1 April 1999	37,500	35,000
Increase (Reduction) in reserve	-	2,500
Potential Liability at 31 March 2000	<u>37,500</u>	<u>37,500</u>

No provision has been made for any taxation which would arise from the sale of the freehold property at the revalued figure.

11. Called Up Share Capital		
Authorised		
Ordinary Shares of £1 each	<u>25,000</u>	<u>25,000</u>
Allotted, Called Up and Fully Paid		
Ordinary Shares of £1 each	<u>21,000</u>	<u>21,000</u>