

H. M. TICKLER LIMITED

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year ended 30th April, 1987.

1. Principal activity

The Company's principal activity continued to be farming.

2. Review of the business

Lower than anticipated product yields resulted in the company incurring a loss for the year. As a result of the poor summer, the directors do not expect any improvement in the company performance for the year to April, 1988.

3. Results

The loss on ordinary activities, after taxation was £22525. The directors do not recommend the payment of a dividend.

4. Fixed Assets

Details of changes in fixed assets are shown in note 8 to the financial statements.

In the opinion of the directors, the value of the company's freehold property still exceeds the net book amount as shown in the Balance Sheet. Without a formal professional valuation, however, the directors do not feel able to quantify the excess with any degree of accuracy.

5. Directors

The directors at 30th April, 1987 and their interests in the share capital of the company were as follows:-

Harry M. Tickler
Marjorie E. Tickler

Ordinary shares of £1 each
at 1st May, 1986 and 30th April, 1987

3900
1720

Mr. H.M. Tickler retires by rotation at the Annual General Meeting and, being eligible, offers himself for re-election.

6. Tax status

The company is a close company under the provisions of Taxes Acts.

7. Research and development

The company did not incur any expenditure in the field of research and development during the year.

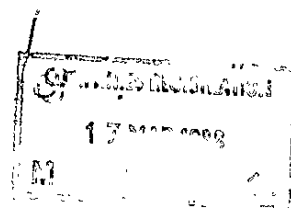
8. Auditors

The Auditors, Messrs. Spooners, Chartered Accountants, offer themselves for re-appointment under section 384 of the Companies Act 1985.

By order of the Board

H. M. Tickler
SECRETARY

(1)



H. M. TICKLER LIMITED

PROFIT & LOSS ACCOUNT year ended 30th APRIL, 1987

<u>1986</u> £	£	Note	£	£
122962	Turnover	2		121632
<u>14125</u>	Change in stocks and work in progress			<u>(7228)</u>
137087				114404
<u>3723</u>	Other operating income			<u>548</u>
140810				114952
	29693 Raw materials & consumables		28045	
	<u>32768</u> Other external charges		<u>31087</u>	
<u>(62461)</u>				<u>(59132)</u>
78349				55820
	33436 Staff costs	3	39549	
	9776 Depreciation		7534	
	<u>20115</u> Other operating charges		<u>21085</u>	
<u>(63327)</u>				<u>(68168)</u>
15022	Operating Profit /(Loss)	4		(12348)
<u>946</u>	Other Income	5		<u>3625</u>
15968				(8723)
<u>(12341)</u>	Interest payable	6		<u>(13802)</u>
3627	Profit/(Loss) on Ordinary Activities before taxation			(22525)
<u>-</u>	Tax on Profit/(Loss) on ordinary activities	7		<u>-</u>
3627	Retained Profit/(Loss) on ordinary activities after taxation			(22525)
<u>=====</u>				<u>=====</u>

H. M. TICKLER LIMITED

BALANCE SHEET as at 30th APRIL, 1987

<u>1986</u>			Notes	£	£
£	£				
		<u>FIXED ASSETS</u>			
270153		Tangible Assets	8		278719
		<u>CURRENT ASSETS</u>			
	74069	Stocks	9	66841	
	21923	Debtors	10	49999	
	<u>95992</u>			<u>116840</u>	
	(39905)	Creditors (amounts falling due within one year)	11	(90012)	
<u>56087</u>		<u>NET CURRENT ASSETS</u>			<u>26828</u>
326240		<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>305547</u>
		Creditors (amounts falling due after more than one year)	12		79891
78059					
		<u>CAPITAL AND RESERVES</u>			
	11000	Called up share capital	13	11000	
	<u>237181</u>	Profit and Loss Account	14	<u>214656</u>	
<u>248181</u>					<u>225656</u>
326240					<u>305547</u>

Approved by the Board on.....


 Directors

H. M. TICKLER LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS for the year ended 30th APRIL, 1987

<u>1986</u> £	£		£	£
		<u>SOURCE OF FUNDS</u>		
3627		Profit/(Loss) before taxation on ordinary activities		(22525)
		Adjustments for items not involving the movement of funds:-		
	9776	Depreciation	7534	
	<u>-</u>	Profit on disposal of fixed assets	<u>(3583)</u>	
<u>9776</u>				<u>3951</u>
13403		<u>TOTAL FUNDS GENERATED FROM/(USED IN) OPERATIONS</u>		(18574)
		<u>FUND FROM OTHER SOURCES</u>		
-		Advance under leasing agreement		15600
<u>-</u>		Sale proceeds of fixed assets		<u>16385</u>
13403				13411
		<u>APPLICATION OF FUNDS</u>		
	37905	Purchase of fixed assets	28902	
	<u>3383</u>	Loan repayments & obligations under finance leases	<u>9909</u>	
<u>(41288)</u>				<u>(38811)</u>
<u>(27885)</u>				<u>(25400)</u>
		<u>INCREASE/(DECREASE) IN WORKING CAPITAL ITEMS</u>		
13825		Valuation		(7228)
(3631)		Debtors & Prepayments		28076
<u>8621</u>		Creditors & Accruals (excluding loan repayments)		<u>(13626)</u>
18815				7222
		Movement in net liquid funds:-		
	(3)	Cash in Hand	-	
	<u>(46697)</u>	Bank balances	<u>(32622)</u>	
<u>(46700)</u>				<u>(32622)</u>
<u>(27885)</u>				<u>(25400)</u>

AUDITORS REPORT

TO THE MEMBERS OF

H. M. TICKLER LIMITED

We have audited the financial statements set out on pages 2 to 8 in accordance with approved auditing standards.

In our opinion the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs at 30th April, 1987 and of its results and source and application of funds for the year then ended and comply with the Companies Act 1985.

GAINSBOROUGH

CHARTERED ACCOUNTANTS

H. M. TICKLER LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 30th APRIL, 1987

1. Accounting Policies

- a) Accounting convention - The financial statements have been prepared under the historical cost convention.
- b) Depreciation - Depreciation has been provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost (less estimated residual value) of each asset over its expected useful life. The following annual rates are currently used on a reducing balance basis (except where stated).
- | | |
|---------------------------------|--------------------------|
| Freehold property | 1% (straight line basis) |
| Machinery & implements | 20% |
| Vehicles, tractors and combines | 20% |
- c) Turnover - Turnover represents the sales value of goods sold in the year (net of Value Added Tax).
- d) Deferred taxation - Deferred taxation has been calculated, using the liability method at the rate of 27% (1986 29%) on the following items:-
- i) The excess of the net book amounts on which accelerated capital allowances are claimed over their written down value for taxation purposes.
- ii) Short term timing differences arising between the accounting and taxation treatment of certain items.
- e) Leased Assets - New assets acquired under finance leases are now included in tangible fixed assets at an amount equivalent to their estimated cost. These assets have been depreciated in accordance with the company policy (see b) above). Net obligations under such finance leases have been included as creditors in the balance sheet. Finance charges have been calculated on the sum of digits basis.

2. Turnover

The turnover and pre-tax result on ordinary activities is wholly attributable to the Company's farming activities within the United Kingdom.

3. Staff Costs

	<u>1987</u>	<u>1986</u>
	£	£
Wages & Salaries	34990	29245
Social Security Costs	3059	2691
Other pension costs	1500	1500
	<u>39549</u>	<u>33436</u>

The average weekly number of employees during the year was 7 (1986 6)

4. Operating Profit/(Loss)

This is stated after charging:-

	<u>1987</u>	<u>1986</u>
	£	£
Directors emoluments	23571	16623
Auditors remuneration	725	775
Hire of Equipment	<u>9564</u>	<u>15896</u>

5. Other Income

	<u>1987</u>	<u>1986</u>
	£	£
Profit on sale of Fixed Assets	3583	-
Rents Receivable	27	26
Interest receivable	<u>15</u>	<u>920</u>
	<u>3625</u>	<u>946</u>

6. Interest Payable

	<u>1987</u>	<u>1986</u>
	£	£
Bank Overdraft interest	3194	608
Interest on loans not wholly repayable within five years	<u>10608</u>	<u>11733</u>
	<u>13802</u>	<u>12341</u>

H. M. TICKLER LIMITED

NOTES TO THE FINANCIAL STATEMENTS year ended 30th APRIL, 1987

<u>7. Tax on results on Ordinary Activities</u>	<u>1987</u> £	<u>1986</u> £
Corporation tax on the results for the year at 27% (1986 29%)	<u>—</u>	<u>—</u>
No provision is considered to be necessary for deferred taxation as available taxation losses exceed the accelerated capital allowances and other timing difference		

<u>8. Tangible fixed assets</u>	<u>At</u> <u>1.5.86</u> £	<u>Additions</u> £	<u>Disposals</u> £	<u>At</u> <u>30.4.87</u> £
a) Cost				
Freehold Property	232180			232180
Machinery & implements	41656	13302	(5610)	49348
Tractors, vehicles & combines	26225	15600	(13500)	28325
	<u>300061</u>	<u>28902</u>	<u>(19110)</u>	<u>309853</u>
b) Depreciation				
Freehold Property	1604	634	—	2238
Machinery & implements	20488	5158	(3808)	21838
Tractors, vehicles & combines	7816	1742	(2500)	7058
	<u>29908</u>	<u>7534</u>	<u>(6308)</u>	<u>31134</u>
c) Net Book amount				
Freehold Property	230576			229942
Machinery & implements	21168			27510
Tractors, vehicles & combines	18409			21267
	<u>270153</u>			<u>278719</u>

- d) Leased assets - Included in the category of tractors, vehicles and combines is an asset acquired under a finance lease. The amounts so included are as follows:-
- | | |
|------------------------------|---------|
| Cost | £ 15600 |
| Depreciation charge for year | 260 |
| Accumulated depreciation | 260 |
| Net book amount | 15340 |

An analysis of the future obligations under finance leases is given below in notes 11) and 12)

The finance charge for the year in respect of this lease was £73.

9. Stocks
Stocks consist of livestock, consumable stores, produce and tenantry. These items have been valued at cost by Chartered Surveyors. In the opinion of the directors the replacement cost of stocks would be at least £71,000.

<u>10. Debtors</u>	<u>1987</u> £	<u>1986</u> £
Trade Debtors	47684	19973
Prepayments and accrued income	2315	1950
	<u>49999</u>	<u>21923</u>

H. M. TICKLER LIMITED

NOTES TO THE FINANCIAL STATEMENTS year ended 30th APRIL, 1987

11. <u>Creditors</u>	1987	1986
(amounts falling due within one year)	£	£
Obligations under finance lease	3315	-
Loan repayments due within one year	4403	3859
Trade Creditors	20071	7084
Bank Overdraft	58319	25697
Other taxes and social security costs	266	138
Other creditors	805	325
Accruals	2833	2802
	<u>90012</u>	<u>39905</u>

12. <u>Creditors</u> (amounts falling due after more than one year)		
<u>Loans</u>		
Repayable within two to five years	24747	21692
Repayable after five years	48909	56367
	73656	78059
Obligations under finance lease	6235	-
	<u>79891</u>	<u>78059</u>

The loans are secured by means of legal charges over certain tangible fixed assets of the company and are repayable in half yearly instalments. Interest has been charged on the loans in the year at rates varying between 11½% and 14¼%.

13. <u>Share Capital</u>	AT 1.5.1986 and 30.4.1987 Ordinary Shares of £1 each
Authorised	<u>20000</u>
Allotted, issued and fully paid	<u>11000</u>

14. <u>Profit and Loss Account</u>	1987	1986
	£	£
Profit and loss account at 1st May, 1986	237181	233554
Profit /(Loss) retained for the year	(22525)	3627
	<u>214656</u>	<u>237181</u>

15. Contingent liabilities

The directors are not aware of any contingent liabilities at the balance sheet date.

16. <u>Capital commitments</u>	1987	1986
	£	£
Contracted but not provided for	Nil	Nil
Authorised but not contracted	15568	Nil