SYKES HOUSE FARM LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1995

Company no. 00917409

TELEPHONE: 01423 564446
FAX: 01423 504637

LITHGOW, PERKINS & CO.

J. PERKINS F.C.A., A.T.I.I.
D. E. WATLER F.C.A.
M.R. BROADWAY F.C.A.
A. P. HALLINAN M.Inst.A.M.

CHARTERED ACCOUNTANTS

CROWN CHAMBERS
PRINCES STREET
HARROGATE
HG1 1NJ

Report of the auditors to the Directors of SYKES HOUSE FARM LIMITED pursuant to Paragraph 24 of Schedule 8 of the Companies Act 1985.

We have examined the abbreviated accounts on pages 4 to 7 together with the full financial statements of the company. The scope of our work for the purpose of this report was limited to confirming that the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Schedule 8 of that Act, and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled to the exemption as set out in the director's statement on page 4 and the abbreviated accounts have been properly prepared in accordance with Section A of Part III of Schedule 8 of the Companies Act 1985.

On 14th September 1995 we reported to the members on the full statutory accounts of the company prepared under section 226 of the Companies Act 1985 for the year ended 30th June 1995. Our report under section 235 of the Companies Act 1985 was as follows:

"AUDITORS' REPORT TO THE SHAREHOLDERS OF

SYKES HOUSE FARM LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and accounting policies set out in the notes to the accounts.

Respective responsibilities of directors and auditors
As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

AUDITORS' REPORT TO THE SHAREHOLDERS OF

SYKES HOUSE FARM LIMITED (cont'd)

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 financial statements. It also includes an assessment of the significant estimates and judgements 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 as to whether 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.

Opinion
In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Lithgow, Perkins & Co.

Chartered Accountants and
Registered Auditor

14th September 1995"

Lithgow, Perkins & Co.

Chartered Accountants and
Registered Auditor

14th September 1995

SYKES HOUSE FARM LIMITED

BALANCE SHEET AS AT 30TH JUNE 1995

	Notes	1995		1994	
		£	£	£	£
FIXED ASSETS					
Tangible assets	2		236,394		226,950
CURRENT ASSETS					
Stocks		40,027		31,002	
Debtors	3	139,842		110,132	
Cash at bank and in hand		19,636		7,441	
		199,505		148,575	
CREDITORS: Amounts falling due within one year	4	(135,413)		(100,705)	
NET CURRENT ASSETS			64,092		47,870
TOTAL ASSETS LESS CURRENT LIABILITIES			300,486		274,820
CREDITORS: Amounts falling due after more than one year	5	(606)		(4,710)	
PROVISIONS FOR LIABILITIES AND CHARGES		-		(35,700)	
			(606)		(40,410)
			299,880		234,410
CAPITAL AND RESERVES					
Called-up share capital	6		1,000		1,000
Profit and loss account			298,880		233,410
			299,880		234,410

The directors have taken advantage of the exemptions for individual financial statements conferred by Part I and Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that the company is entitled to the benefits of those exemptions as a small company.

Approved by the board :

M.P. Smith M. P. Smith. Director

14th September 1995

The notes set out on pages 5 to 7 form part of these financial statements

SYKES HOUSE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 30TH JUNE 1995

1 ACCOUNTING POLICIES

(a) Basis of accounting

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

(b) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the business. The annual depreciation rates and methods are as follows:

Motor vehicles	- 25% on the reducing balance method
Fixtures & equipment	- 10% on the reducing balance method
Freehold property	- 1% on the straight line method excluding land

(c) Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

(d) Deferred taxation

Provisions are made so that the deferred taxation account represents Corporation Tax, calculated on the liability method, in respect of the excess of tax allowances given for fixed assets over the depreciation provided, except to the extent that the directors are able to foresee that no liability is likely to arise from a reversal of the above timing differences for some considerable period.

(e) Assets leased

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

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 paid under operating leases are charged on a straight-line basis over the term of the lease.

(f) Pensions

The cost of providing retirement pensions and related benefits is charged to the profit and loss account over the periods benefiting from the employees' services. The difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

(g) Turnover

Turnover is the total amount, excluding value added tax, receivable by the company in the ordinary course of business for goods supplied and for services provided as a principal.

(h) Grants

Grants of a revenue nature are credited to income in the period to which they relate.

Capital grants are deducted from the cost of the related fixed assets.

2 TANGIBLE FIXED ASSETS

	Motor vehicles	Fixtures & equipment	Freehold property	Total
COST	£	£	£	£
At 1st July 1994	54,222	139,844	176,134	370,200
Additions at cost	10,380	10,716	4,379	25,475
Applicable to disposals	-	(1,000)	-	(1,000)
At 30th June 1995	64,602	149,560	180,513	394,675
DEPRECIATION				
At 1st July 1994	31,325	92,993	18,932	143,250
Charge for the year	8,319	5,737	1,775	15,831
Released by disposals	-	(800)	-	(800)
At 30th June 1995	39,644	97,930	20,707	158,281
NET BOOK VALUE				
At 30th June 1995	24,958	51,630	159,806	236,394
At 30th June 1994	22,897	46,851	157,202	226,950

Details of fixed assets held under finance leases and hire purchase contracts, which are included in the relevant headings in the table above, are as follows:

	1995	1994
	£	£
Net book value at 30th June 1995	7,070	9,426
Depreciation charge for the year	2,356	2,886

SYKES HOUSE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 30TH JUNE 1995

3 DEBTORS

Debtors include a loan to a director of the company, M.P. Smith, details of which are as follows:

	1995	1994
	£	£
Amount outstanding at beginning of year	167	-
Amount outstanding at end of year	1,236	167
Maximum outstanding during the year	1,236	167

4 CREDITORS: Amounts falling due within one year

	1995	1994
	£	£
The following secured amounts fall due within one year:		
Net obligations under finance leases and hire purchase contracts	3,748	3,748

	1995	1994
	£	£
Amounts payable by instalments due within one year hence:		
Net obligations under finance leases and hire purchase contracts	3,748	3,748

5 CREDITORS: Amounts falling due after more than one year

	1995	1994
	£	£
The following secured amounts fall due after more than one year:		
Net obligations under finance leases and hire purchase contracts	606	4,710

	1995	1994
	£	£
Amounts payable by instalments between one and five years hence:		
Net obligations under finance leases and hire purchase contracts	606	4,710

6 SHARE CAPITAL

	Number 1995	Value 1995	Number 1994	Value 1994
Authorised:		£		£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
Issued and fully paid:				
Ordinary shares of £1 each	1,000	1,000	1,000	1,000