

SYKES HOUSE FARM LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1998
Company no. 00917409



LITHGOW, PERKINS & CO.

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CHARTERED
ACCOUNTANTS

CROWN CHAMBERS
PRINCES STREET
HARROGATE
HG1 1NJ

AUDITORS' REPORT TO SYKES HOUSE FARM LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985.

We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of the company prepared for the year ended 30th June 1998 under section 226 of the Companies Act 1985.

Respective responsibilities of the director and auditors

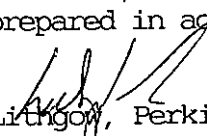
The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.


Lithgow, Perkins & Co.

Chartered Accountants and
Registered Auditor

20th August 1998

SYKES HOUSE FARM LIMITED

BALANCE SHEET AS AT 30TH JUNE 1998

	Notes	1998	1997
		£	£
FIXED ASSETS			
Tangible assets	2	338,851	292,220
CURRENT ASSETS			
Stocks		58,523	35,556
Debtors	3	277,098	252,819
Cash at bank and in hand		43,156	7,838
		<u>378,777</u>	<u>296,213</u>
CREDITORS: Amounts falling due within one year	4	(213,268)	(179,562)
NET CURRENT ASSETS		<u>165,509</u>	<u>116,651</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		504,360	408,871
CREDITORS: Amounts falling due after more than one year	5	(2,022)	(698)
		<u>(2,022)</u>	<u>(698)</u>
		<u>502,338</u>	<u>408,173</u>
CAPITAL AND RESERVES			
Called-up share capital	6	1,000	1,000
Profit and loss account		<u>501,338</u>	<u>407,173</u>
SHAREHOLDERS' FUNDS		<u>502,338</u>	<u>408,173</u>

The director has taken advantage, in the preparation of the abbreviated accounts, of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board :

M.P. Smith

- Director

20th August 1998

M. P. Smith.

The notes set out on pages 4 to 6 form an integral part of these accounts

SYKES HOUSE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 30TH JUNE 1998

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.

SYKES HOUSE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 30TH JUNE 1998

(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.

2 TANGIBLE FIXED ASSETS

	Motor vehicles	Fixtures & equipment	Freehold property	Total
	£	£	£	£
COST				
At 1st July 1997	100,224	197,797	185,873	483,894
Additions at cost	13,715	33,885	31,685	79,285
Applicable to disposals	(6,850)	(500)	-	(7,350)
At 30th June 1998	<u>107,089</u>	<u>231,182</u>	<u>217,558</u>	<u>555,829</u>
DEPRECIATION				
At 1st July 1997	55,118	112,177	24,377	191,672
Charge for the year	13,421	11,951	2,146	27,518
Released by disposals	(1,712)	(500)	-	(2,212)
At 30th June 1998	<u>66,827</u>	<u>123,628</u>	<u>26,523</u>	<u>216,978</u>
NET BOOK VALUE				
At 30th June 1998	<u>40,262</u>	<u>107,554</u>	<u>191,035</u>	<u>338,851</u>
At 30th June 1997	<u>45,106</u>	<u>85,619</u>	<u>161,495</u>	<u>292,220</u>

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:

	1998	1997
	£	£
Net book value at 30th June 1998	<u>19,702</u>	<u>28,535</u>
Depreciation charge for the year	<u>6,568</u>	<u>9,512</u>

3 DEBTORS

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

	1998	1997
	£	£
Amount outstanding at beginning of year	363	1,500
Amount outstanding at end of year	1,866	363
Maximum outstanding during the year	<u>1,866</u>	<u>1,500</u>

SYKES HOUSE FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

AT 30TH JUNE 1998

4	CREDITORS: Amounts falling due within one year			1998	1997
				£	£
	The following secured amounts fall due within one year:				
	Net obligations under finance leases and hire purchase contracts			<u>4,917</u>	<u>11,027</u>
				1998	1997
				£	£
	Amounts payable by instalments due within one year hence:				
	Net obligations under finance leases and hire purchase contracts			<u>4,917</u>	<u>11,027</u>
5	CREDITORS: Amounts falling due after more than one year			1998	1997
				£	£
	The following secured amounts fall due after more than one year:				
	Net obligations under finance leases and hire purchase contracts			<u>2,022</u>	<u>698</u>
				1998	1997
				£	£
	Amounts payable by instalments between one and five years hence:				
	Net obligations under finance leases and hire purchase contracts			<u>2,022</u>	<u>698</u>
6	SHARE CAPITAL	Number	Value	Number	Value
		1998	1998	1997	1997
	Authorised:		£		£
	Ordinary shares				
	of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
	Issued and fully paid:				
	Ordinary shares				
	of £1 each	1,000	1,000	1,000	1,000