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Ketton Holdings Ltd.

The Director's Report

1913321

Year Ended 31 March 2003

The director presents his report and the unaudited financial statements of the company for the year ended 31 March 2003.

Principal Activities

The principal activity of the company in the year under review was that of farming and the provision of management services. The company has the following wholly owned subsidiary companies both of which are dormant:

Ketton Livestock Limited
Ketton Farms Limited

The Director and His Interests in Shares of the Company

The director who serviced the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 March 2003	At 1 April 2002
R J Wreford	-	-

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by

R J Wreford
Director

Approved by the director on 13/11/03

Company Registered No. 1913321

AUY3LSJ2
A02 COMPANIES HOUSE 0482 12/02/04
A10 COMPANIES HOUSE 0330 15/01/04
COMPANIES HOUSE 19/11/03

Ketton Holdings Limited

Profit and Loss Account

Year Ended 31 March 2003

	Note	2003 £	2002 £
Turnover		**31,454**	32,464
Cost of sales		**21,928**	20,431
Gross Profit		**9,526**	12,033
Administrative expenses		**7,258**	9,046
Operating Profit	2	**2,268**	2,987
Interest receivable		**36**	71
Profit on Ordinary Activities Before Taxation		**2,304**	3,058
Tax on profit on ordinary activities		**0**	0
Retained Profit for the Financial Year		**2,304**	3,058

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

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

The notes on pages 4 to 6 form part of these financial statements.

Ketton Holdings Limited

Balance Sheet

31 March 2003

	Notes	2003 £	2003 £	2002 £	2002 £
Fixed Assets					
Investments	3		**20,270**		20,270
Current Assets					
Stocks		**7,405**		7,523	
Debtors	4	**394,058**		388,852	
Cash at bank		**5,179**		10,863	
		406,642		407,238	
Creditors: Amounts Falling due Within One Year	5	**573,517**		576,417	
Net Current Liabilities			**-166,875**		-169,179
Total Assets Less Current Liabilities			**-146,605**		-148,909
Capital and Reserves					
Called-up equity share capital	8		**17,500**		17,500
Revaluation reserve			**19,170**		19,170
Profit and Loss Account	9		**-183,275**		-185,579
Deficiency	10		**-146,605**		-148,909

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by vitue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

(I) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The directors have taken advantage of the Company's Act 1985 in not having these accounts audited under Section 249a(1) (total exemption),

These financial statements were approved and signed by the director on 10th Feb 2004

R J Wreford
Director

The notes on pages 4 to 6 form part of these financial statements.

Ketton Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2003

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

Consolidation

In the opinion of the director, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Cash Flow Statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are brought to account in the profit and loss account when received.

2. Related Party Transaction

During the year a payment of £2,500 (2002 £2,500) was made to Newbury Property Services Ltd., a company controlled by Mr. R.J. Wreford.

Ketton Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2003

3. Investments

	Shares in subsidiary companies	Unlisted investments	Total
	£	£	£
Cost			
At 1 April 2002 and 31 March 2003	**17,500**	**2,770**	**20,270**
Net Book Value			
At 31 March 2003	**17,500**	**2,770**	**20,270**
At 31 March 2002	17,500	2,770	20,270

4. Debtors

	2003	2002
	£	£
Amounts owed by group undertakings	**393,372**	387,701
Other debtors	**686**	1,151
	394,058	388,852

5. Creditors: Amounts Falling due Within One Year

	2003	2002
	£	£
Amounts owed to group undertakings	**570,079**	567,579
Other creditors	**3,438**	8,838
	573,517	576,417

6. Control

At the balance sheet date the amount owed by Appletree Holdings Limited was £25,375 (2002:£22,204).

The company has the following amount outstanding from its subsidiary at the balance sheet date: Ketton Livestock Limited £365,497.

The company also has the following amount owing to its subsidiary at the balance sheet date: Ketton Farms Limited £567,579.

No movement in these balances has occurred in the year.

7. Ultimate Parent Company

The ultimate parent company is Appletree Holdings Limited a company registered in England and Wales.

Ketton Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2003

8. Share Capital

Authorised share capital:

	2003 £	2002 £
17,500 Ordinary shares of £1 each	**17,500**	17,500

Allotted, called up and fully paid:

	2003 No	2003 £	2002 No	2002 £
Ordinary shares of £1 each	**17,500**	**17,500**	17,500	17,500

9. Profit and Loss Account

	2003 £	2002 £
Balance brought forward	**(185,579)**	(188,637)
(Accumulated loss)/retained profit for the financial year	2,304	3,058
Balance carried forward	**(183,275)**	(185,579)

10. Reconciliation of Movements in Shareholders' Funds

	2003 £	2002 £
(Loss)/Profit for the financial year	**2,304**	3,058
Opening shareholders' equity deficit	**(148,909)**	(151,967)
Closing shareholders' equity deficit	**(146,605)**	(148,909)