

Appleby Farms Limited
Report and financial statements
for the year ended 31 December 2004

Registered Number 2027689



Appleby Farms Limited

Directors and Advisors for the year ended 31 December 2004

Executive directors

Lord St Oswald

Lady St Oswald

Secretary and registered office

Lord St Oswald

Nostell Estate Office

Nostell

WAKEFIELD

WF4 1QD

Accountants

PricewaterhouseCoopers LLP

Queen Victoria House

Guildhall Road

HULL

HU1 1HH

Solicitors

Currey & Co

21 Buckingham Gate

LONDON

SW1 6LS

Bankers

National Westminster Bank plc

14 Market Place

BRIGG

DN20 8EU

Appleby Farms Limited

Directors' report for the year ended 31 December 2004

The directors present their report and the financial statements for the year ended 31 December 2004.

Principal activity

The principal activity of the company is that of farming.

Results and dividends

The results for the year are set out on page 3.

The directors do not recommend the payment of a dividend.

Directors and their interests

The directors and their interests in the shares of the company as at 31 December 2004, were:

	31 December 2003 and 2004 Ordinary Class 'A' shares of £1 each
Lord St Oswald	100,000
Lady St Oswald	-
	100,000

In accordance with the Articles of Association Lady St Oswald retires by rotation and, being eligible, offers herself for re-election.

Lord St Oswald's interest is in a Settlement in favour of his issue of the ordinary share capital of the company.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

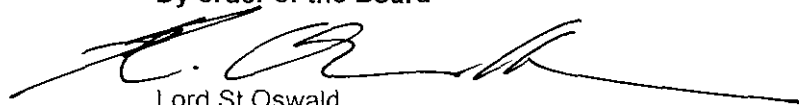
The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company exemption

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

By order of the Board


Lord St Oswald
Secretary

Appleby Farms Limited

Profit and loss account for the year ended 31 December 2004

	Note	2004 £	2003 £
Turnover		648,762	646,642
Cost of sales		(463,058)	(523,344)
Gross profit		185,704	123,298
Administrative expenses		(129,309)	(139,274)
Operating profit /(loss)	1	56,395	(15,976)
Interest receivable and similar income		21,751	16,586
Profit on ordinary activities before taxation		78,146	610
Taxation	3	(14,975)	1,082
Profit for the financial year	10	63,171	1,692

The above results are from continuing activities.

There is no material difference between the result disclosed in the profit and loss account above and the result on an unmodified historical cost basis and a note of historical cost profits and losses is not therefore included in these financial statements.

Appleby Farms Limited

Balance sheet as at 31 December 2004

	Note	2004 £	2004 £	2003 £	2003 £
Fixed assets					
Tangible assets	4		77,952		101,104
Current assets					
Stocks and work in progress		388,675		431,497	
Debtors	5	103,687		109,774	
Cash at bank and in hand		696,184		593,431	
		1,188,546		1,134,702	
Creditors: amounts falling due within one year	6	(234,668)		(249,297)	
Net current assets			953,878		885,405
Total assets less current liabilities			1,031,830		986,509
Creditors: amounts falling due after more than one year	7	17,850		35,700	
Provision for liabilities and charges	8	-	(17,850)	-	(35,700)
Net assets			1,031,980		950,809
Capital and reserves					
Called up share capital	9		100,050		100,050
Profit and loss account	10		913,930		850,759
Equity shareholders' funds			1,013,930		950,759
Non-equity shareholders' funds			50		50
Total shareholders' funds			1,013,980		950,809

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act.

No notice has been deposited under Section 249B(2) in relation to the company's financial statements for the year ended 31 December 2004.

The directors acknowledge their responsibilities for:

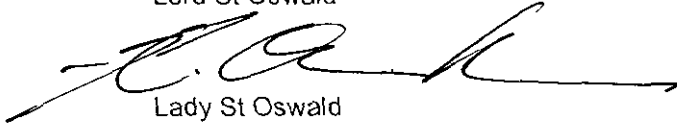
- (1) ensuring that the company keeps accounting records which comply with Section 221; and
- (2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act relating to the financial statements, so far as applicable to the company.

Appleby Farms Limited

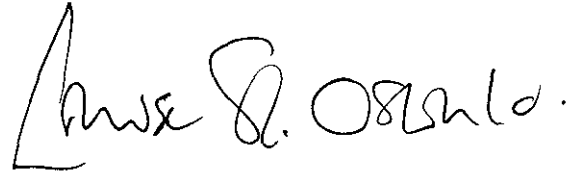
The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for smaller entities (effective June 2002).

The financial statements on pages 3 to 11 were approved by the board of directors on 7TH JUNE 2005 and were signed on its behalf by:

Lord St Oswald

A stylized handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

Lady St Oswald
Directors

A handwritten signature in black ink, appearing to read 'Lady St Oswald' in a cursive script.

Appleby Farms Limited

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover is recognised when the economic risks and rewards are transferred to the third party.

Fixed assets and depreciation

Fixed assets are recognised initially at cost less depreciation. Depreciation of fixed assets is charged by equal annual instalments commencing with the year of acquisition at rates estimated to write off their cost less any residual value over the expected useful lives.

The rates used are as follows:

Farm machinery	20%
Motor vehicles	25%
General equipment	20%
Leasehold property improvements	5%

Finance leases and hire purchase contracts

Fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease or contract in accordance with the straight line method.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation has been recognised as a liability or an asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

Agricultural subsidies

Grants due or received relating to the harvest in the financial year are accounted for on an accruals basis in relation to the proportion of the harvest sold pre year end or held in stock.

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Notes to the financial statements for the year ended 31 December 2004

1 Operating profit/(loss)

	2004 £	2003 £
Operating profit/(loss) is stated after crediting		
Subsidies receivable	152,310	112,425
Profit on sale of tangible fixed assets	514	-
and after charging		
Operating lease rentals		
Land	96,450	104,172
Plant and machinery	62,552	85,543
	159,002	189,715
Depreciation of tangible fixed assets		
Owned	40,562	62,287
Leasehold	1,340	1,340
	41,902	63,627
Loss on sale of tangible fixed assets	-	1

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK (2003: UK).

3 Taxation on profit on ordinary activities

(a) Analysis of charge in year

	2004 £	2003 £
Current tax		
UK corporation tax on profit for the year	16,363	4,864
Adjustment in respect of prior year	112	(6)
Total current tax (note 3(b))	16,475	4,858
Deferred taxation		
Origination and reversal of timing differences	(1,500)	(5,940)
Total deferred tax (see note 8)	(1,500)	(5,940)
Tax on profit on ordinary activities	14,975	(1,082)

Appleby Farms Limited

(b) Factors affecting tax charge for the year

The tax assessed for the year is lower (2003 higher) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities	78,146	610
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003 30%)	23,444	183
Effects of		
Marginal relief	(8,581)	(183)
Accelerated timing differences and other timing differences	1,500	4,864
Adjustment in respect of prior year	112	(6)
Current tax charge for the year (see note 3(a))	16,475	4,858

4 Tangible fixed assets

	Leasehold property improvement £	Farm machinery £	Motor vehicles £	General equipment £	Total £
Cost					
1 January 2004	26,810	413,505	38,163	6,250	484,728
Additions	-	18,906	450	-	19,356
Disposals	-	(2,950)	-	(1,322)	(4,272)
31 December 2004	26,810	429,461	38,613	4,928	499,812
Depreciation					
1 January 2004	9,059	337,083	32,290	5,192	383,624
Charge for year	1,340	34,397	5,800	365	41,902
Disposals	-	(2,609)	-	(1,057)	(3,666)
31 December 2004	10,399	368,871	38,090	4,500	421,860
Net book value					
31 December 2004	16,411	60,590	523	428	77,952
31 December 2003	17,751	76,422	5,873	1,058	101,104

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5 Debtors

	2004	2003
	£	£
Trade debtors	63,259	75,026
Other debtors	36,428	32,248
Deferred tax (note 8)	4,000	2,500
	103,687	109,774

The deferred tax is due after more than one year.

6 Creditors – Amounts falling due within one year

	2004	2003
	£	£
Bank overdraft	14,074	-
Trade creditors	21,512	49,002
Hire purchase	17,850	17,850
Corporation tax	16,363	4,864
Other creditors	164,869	177,581
	234,668	249,297

7 Creditors – Amounts falling due after one year

	2004	2003
	£	£
Hire purchase	17,850	35,700

8 Provision for liabilities and charges

	2004	Profit and loss (note 3(a))	2003
	£	£	£
Deferred taxation asset	(4,000)	(1,500)	(2,500)

	2004 Potential asset	2004 Asset recognised	2003 Potential asset	2003 Asset recognised
	£	£	£	£
Corporation tax deferred by				
Capital allowances (note 3)	4,000	4,000	2,500	2,500

Appleby Farms Limited

9 Called up share capital

	31 December 2003 and 2004 Class 'A'	31 December 2003 and 2004 Class 'B'
Authorised, allotted, called up and fully paid		
Ordinary shares of £1 each	100,000	50

The 'A' ordinary shares are entitled to receive dividends and carry voting rights except in certain circumstances set out in the Articles of Association. They carry only 25% of the total voting rights, rank second behind the 'B' ordinary shares after payment of the nominal value of the 'B' shares in a winding up and are entitled to any surplus upon a winding up. They have been classed as equity.

The 'B' ordinary shares are not entitled to dividends, receive no voting rights except in certain circumstances set out in the Articles of Association when they receive 75% of the total voting rights, rank first in a winding up but do not share in any surplus upon a winding up. They have been classed as non-equity.

10 Profit and loss account

	2004 £
1 January 2004	850,759
Profit for the year	63,171
31 December 2004	913,930

11 Contingent liabilities and financial commitments

Lease commitments

The company has a yearly tenancy of certain land and buildings. The tenancy may be terminated by giving not less than twelve calendar months notice in writing expiring at the end of any year of the tenancy. The rent payable is £97,100 per annum.

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12 Related party transactions

Nostell Home Farm is controlled by Lord St Oswald, a director of the company.

During the year the company entered into the following transactions:

- Administrative services amounting to £8,465 (2003 £8,465) were purchased from Nostell Home Farm.

Lord St Oswald has a beneficial interest in Appleby Estates. At 31 December 2004 a balance of £Nil (2003 £5,327) was due from Appleby Estates in respect of the Estate's contribution to the drainage works carried out by the company, also a balance of £17,155 (2003 £Nil) was due from Nostell Home Farm. These amounts are included within 'trade debtors'.

At 31 December 2004 a balance of £9,946 (2003 £Nil) was due to Nostell Estate and a balance of £460 (2003 £Nil) was due to Nostell Home Farm. These amounts are included within 'trade creditors'.

In the directors' opinion the above transactions were on normal commercial terms.

13 Ultimate controlling party

Lord St Oswald is the controlling party by virtue of his controlling interest in the company's 'A' ordinary shares.