

Appleby Farms Limited
Report and financial statements
for the year ended 31 December 2006

Registered Number 2027689

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Appleby Farms Limited

Report and financial statements

for the year ended 31 December 2006

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Appleby Farms Limited

Directors and Advisors for the year ended 31 December 2006

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 2006

The directors present their report and the financial statements for the year ended 31 December 2006

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 during the year and as at 31 December 2006, were

Lord St Oswald

Lady St Oswald

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

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- 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 they have complied with the above requirements in preparing the financial statements

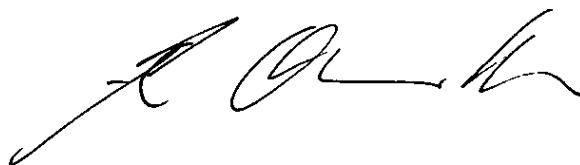
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets 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 2006

	Note	2006 £	2005 £
Turnover		459,091	610,628
Cost of sales		(255,468)	(348,593)
Gross profit		203,623	262,035
Administrative expenses		(125,452)	(153,676)
Operating profit	1	78,171	108,359
Profit on sale of fixed assets		27,595	90,143
Profit on ordinary activities before interest		105,766	198,502
Interest receivable and similar income		37,918	32,805
Profit on ordinary activities before taxation		143,684	231,307
Taxation	3	(27,289)	(44,033)
Profit for the financial year	9	116,395	187,274

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 2006

	Note	2006 £	2006 £	2005 £	2005 £
Fixed assets					
Tangible assets	4		22,086		28,463
Current assets					
Stocks		316,275		328,586	
Debtors	5	167,524		202,240	
Cash at bank and in hand		892,704		757,047	
		1,376,503		1,287,873	
Creditors: amounts falling due within one year	6	(80,920)		(114,572)	
Net current assets			1,295,583		1,173,301
Total assets less current liabilities			1,317,669		1,201,764
Provision for liabilities and charges	7		(20)		(510)
Net assets			1,317,649		1,201,254
Capital and reserves					
Called up share capital	8		100,050		100,050
Profit and loss account	9		1,217,599		1,101,204
Equity shareholders' funds			1,317,599		1,201,204
Non-equity shareholders' funds			50		50
Total shareholders' funds			1,317,649		1,201,254

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 2006

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

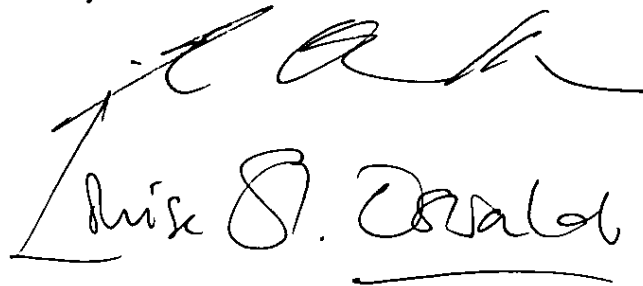
Appleby Farms Limited

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 January 2005)

The financial statements on pages 3 to 15 were approved by the board of directors on 20 July 2007 and were signed on its behalf by

Lord St Oswald

Lady St Oswald
Directors

The image shows two handwritten signatures. The top signature is for Lord St Oswald, written in a cursive style. The bottom signature is for Lady St Oswald, also in cursive, and is underlined.

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 January 2005)

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 and are then stated 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

Stocks including growing crops 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

Single farm payment is recognised to the extent that the transfer of economic benefits is certain, and is apportioned over the scheme year to which it relates

Appleby Farms Limited

Notes to the financial statements for the year ended 31 December 2006

1 Operating profit

	2006 £	2005 £
Operating profit is stated after crediting		
Subsidies receivable	161,574	247,454
Profit on sale of tangible fixed assets	27,595	90,143
and after charging		
Operating lease rentals		
Land	97,100	112,215
Plant and machinery	-	20,584
	97,100	132,799
Depreciation of tangible fixed assets		
Owned	4,712	5,044
Leasehold	1,340	1,340
	6,052	6,384

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK (2005 UK)

3 Taxation on profit on ordinary activities

(a) Analysis of charge in year

	2006 £	2005 £
Current tax		
UK corporation tax on profit for the year	27,800	39,470
Adjustment in respect of prior year	(21)	53
Total current tax (note 3(b))	27,779	39,523
Deferred taxation		
Origination and reversal of timing differences	(490)	4,510
Total deferred tax (see note 7)	(490)	4,510
Tax on profit on ordinary activities	27,289	44,033

Appleby Farms Limited

(b) Factors affecting tax charge for the year

The tax assessed for the year is lower (2005 lower) than the standard rate of corporation tax in the UK (30%) The differences are explained below

	2006 £	2005 £
Profit on ordinary activities	143,684	231,307
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005 30%)	43,105	69,392
Effects of		
Marginal relief	(14,815)	(25,372)
Accelerated timing differences and other timing differences	(490)	(4,550)
Adjustment in respect of prior year	(21)	53
Current tax charge for the year (see note 3(a))	27,779	39,523

4 Tangible fixed assets

	Leasehold property improvements £	Farm machinery £	Motor vehicles £	General equipment £	Total £
Cost					
1 January 2006	26,810	141,098	15,529	862	184,299
Disposals	-	(83,460)	-	-	(83,460)
31 December 2006	26,810	57,638	15,529	862	100,839
Depreciation					
1 January 2006	11,739	139,430	3,884	783	155,836
Charge for year	1,340	754	3,883	75	6,052
Disposals	-	(83,135)	-	-	(83,135)
31 December 2006	13,079	57,049	7,767	858	78,753
Net book value					
31 December 2006	13,731	589	7,762	4	22,086
31 December 2005	15,071	1,668	11,645	79	28,463

Appleby Farms Limited

5 Debtors

	2006	2005
	£	£
Trade debtors	28,182	59,055
Other debtors	139,342	143,185
	167,524	202,240

6 Creditors – Amounts falling due within one year

	2006	2005
	£	£
Trade creditors	13,943	31,482
Corporation tax	27,800	39,470
Other creditors	39,177	43,620
	80,920	114,572

7 Provision for liabilities and charges

	2006	Profit and loss charge/ (credit)	2005
	£		£
Deferred taxation liability	20	(490)	510

	2006 Potential liability	2006 Liability recognised	2005 Potential liability	2005 Liability recognised
	£	£	£	£
Corporation tax deferred by				
Capital allowances (note 3)	20	20	510	510

Appleby Farms Limited

8 Called up share capital

	31 December 2005 and 2006 Class 'A'	31 December 2005 and 2006 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 full voting rights except in certain circumstances set out in the Articles of Association. Upon winding up 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 and are then entitled to any surplus. 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. Upon winding up they receive 75% of the total voting rights, rank first but do not share in any surplus upon a winding up. They have been classed as non-equity.

9 Profit and loss account

	2006 £
1 January 2006	1,101,204
Profit for the year	116,395
31 December 2006	1,217,599

10 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 (2005 £97,100) per annum.

Appleby Farms Limited

11 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 (2005 £8,465) were purchased from Nostell Home Farm

Lord St Oswald has a beneficial interest in Appleby Estates. At 31 December 2006 a balance of £Nil (2005 £30) was due from Nostell Home Farm. These amounts are included within 'trade debtors'.

At 31 December 2006 a balance of £9,946 (2005 £9,946) was due to Nostell Estate. This amount is included within 'trade creditors'.

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

12 Ultimate controlling party

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