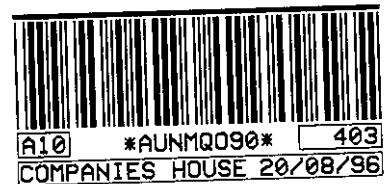


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IOWA LAND COMPANY LIMITED

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IOWA LAND COMPANY LIMITED

COMPANY INFORMATION

Directors	C S R Stroyan T.D., W.S. (Chairman) P H Lawson E Y Whittingdale
Secretary	R W Toye
Registered Office	Bridge House 181 Queen Victoria Street London EC4V 4DD
Registered Number	15399
Auditors	Robson Rhodes 186 City Road London ECIV 2NU
Solicitors	Wilsons Steynings House Chapel Place Fisherton Street Salisbury Wiltshire SP2 7R3
Bankers	The Royal Bank of Scotland plc 62-63 Threadneedle Street London EC2R 8LA

IOWA LAND COMPANY LIMITED

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of this company will be held at Mitre House, 160 Aldersgate Street, London EC1A 4DD on 5th November 1996 at 10:00 am for the following purposes:

1. To receive the directors' report and accounts for the year ended 31st March 1996.
2. To appoint Moore Stephens as the auditors of the company.
3. To authorise the directors to fix the remuneration of the auditors.

By order of the Board



Roger W Toye
Secretary

30th July 1996

NOTE: Any person entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote (on a poll) in his place and such proxy need not be a member.

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report together with the audited consolidated financial statements of the company and its subsidiaries for the year ended 31st March 1996.

Principal activities

The principal activities of the company and its subsidiaries are investment in shares, property and land, and farming in Scotland.

Results and dividend

The Group profit for the year before taxation was £414,070 (1995: £187,324) after taking account of profits from investment and fixed asset disposals net of provisions of £206,092 (1995: £265,447). The profit after taxation and minority interest of £362,568 (1995: £156,151) is accounted for through the profit and loss account.

The directors do not propose a dividend.

Review of the business

Operating results from continuing operations of the group for the year to 31st March 1996 provided a profit of £216,051, a satisfactory performance. A substantial improvement in farming profit, reflecting a good harvest and firm grain prices made a useful contribution. Interest income rose to £94,759 and a small reduction of £16,939 was achieved in overall operating costs. The investment in London property provided a small profit and although the letting market remains strong, acquisitions of suitable properties have been more difficult. The dealing company made a small loss due to write-downs against investments held at the year end.

The main investment company again reported a satisfactory year. The increase in liquidity reflects the directors' cautious approach to the market, but this contributed to the increase in interest income referred to above. Market conditions remain uncertain, but the directors will continue to watch the position closely and seek good investment opportunities when they occur.

Directors' responsibilities for financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group and of the profit or loss of the group for that period. In preparing these financial statements, the directors have:

- * selected suitable accounting policies and applied them consistently;
- * made judgements and estimates that are reasonable and prudent;
- * followed applicable accounting standards; and
- * prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and to 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

IOWA LAND COMPANY LIMITED

REPORT OF THE DIRECTORS (Continued)

Directors

The directors who held office during the year together with their shareholdings in the company, all non-beneficial, were as follows:

	Ordinary shares of 10p each	
	31 st March 1996	31 st March 1995
C S R Stroyan	1,000	1,000
P H Lawson	1,000	1,000
E Y Whittingdale	-	-

None of the directors held any of the 4.55% preference shares.

Fixed assets

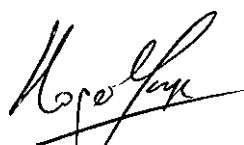
Movements in tangible fixed assets are disclosed in Note 10.

The group's Scottish estates are included at professional valuation of £5,952,000 as at 9th August 1993. The group's English freehold and long leasehold properties are included on the basis of the directors' estimate of the current market value at 31st March 1996.

Auditors

During the year the directors decided that the audit of the company should be subject to competitive tender and as a result a resolution to appoint Moore Stephens of St. Paul's House, Warwick Lane, London EC4P 4BN, a member firm of Moore Stephens International Limited, will be proposed at the Annual General Meeting.

The report of the directors was approved by the Board on 30th July 1996 and signed on its behalf by:



Roger William Toye
Secretary

IOWA LAND COMPANY LIMITED

AUDITORS REPORT TO THE SHAREHOLDERS OF IOWA LAND COMPANY LIMITED

We have audited the financial statements on pages 6 to 25 which have been prepared on the basis of the accounting policies set out on pages 12 and 13.

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.

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 that 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 affairs of the Company and the Group as at 31st March 1996 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Robson Rhodes

Chartered Accountants and Registered Auditor

London

30 July 1996

IOWA LAND COMPANY LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT**
for the year ended 31st March 1996

	Note	1996 £	1995 £
Income: continuing operations			
Turnover: Farming activities		1,509,709	1,359,214
Rental income		51,136	42,368
Investment dealing activities		(18,482)	37,754
Investment income		186,657	165,071
Investment interest receivable		94,759	32,479
		<hr/>	<hr/>
Total income		1,823,779	1,636,886
Operating costs	2	(1,607,728)	(1,624,667)
		<hr/>	<hr/>
Operating profit: continuing operations		216,051	12,219
Profit on disposal of tangible fixed assets		36,247	161,316
Profit on disposal of fixed asset investments	7	169,845	104,131
		<hr/>	<hr/>
		206,092	265,447
		<hr/>	<hr/>
Profit before interest	2	422,143	277,666
Interest payable	4	(80,491)	(92,812)
Exchange gains		72,418	2,470
		<hr/>	<hr/>
Profit on ordinary activities before taxation		414,070	187,324
Tax on profit on ordinary activities	8	(49,649)	(29,100)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		364,421	158,224
Minority Interest		(1,853)	(2,073)
		<hr/>	<hr/>
Profit for the financial year	21	362,568	156,151
		<hr/> <hr/>	<hr/> <hr/>

Movements in reserves are shown in notes 20 and 21 on pages 24 and 25.

IOWA LAND COMPANY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31st March 1996

	1996	1995
	£	£
Profit for the financial year	362,568	156,151
Unrealised surplus on property revaluation	7,020	36,841
	<hr/>	<hr/>
Total recognised gains	369,588	192,992
	<hr/>	<hr/>

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS
for the year ended 31st March 1996

	1996	1995
	£	£
Total recognised gains	369,588	192,992
Purchase of own shares	-	(16,160)
Other adjustment	(8,000)	(767)
Opening shareholders' funds	11,982,106	11,806,041
	<hr/>	<hr/>
Closing shareholders' funds	12,343,694	11,982,106
	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

CONSOLIDATED BALANCE SHEET at 31st March 1996

	Note	1996 £	1995 £
Fixed assets			
Tangible fixed assets	10	6,900,640	6,753,198
Investments	11	4,020,750	4,305,214
		<hr/>	<hr/>
		10,921,390	11,058,412
		<hr/>	<hr/>
Current assets			
Stocks	12	670,161	598,803
Debtors	13	154,497	811,555
Investments	14	159,225	97,728
Cash at bank and in hand		1,561,777	501,425
		<hr/>	<hr/>
		2,545,660	2,009,511
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	15	(462,234)	(451,569)
		<hr/>	<hr/>
Net current assets		2,083,426	1,557,942
		<hr/>	<hr/>
Total assets less current liabilities		13,004,816	12,616,354
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	16	(642,955)	(620,273)
Provisions for liabilities and charges	18	-	-
		<hr/>	<hr/>
Net assets		12,361,861	11,996,081
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	19	104,842	104,842
Share premium account		163,163	163,163
Capital redemption reserve	20	310,843	310,843
Revaluation reserve	20	3,376,737	3,369,717
Other reserves	20	7,563,245	7,571,245
Profit and loss account	21	824,864	462,296
		<hr/>	<hr/>
Shareholders' funds (including non-equity)	22	12,343,694	11,982,106
Minority interests' (equity)		18,167	13,975
		<hr/>	<hr/>
		12,361,861	11,996,081
		<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

BALANCE SHEET

at 31st March 1996

	Note	1996 £	1995 £
Fixed assets			
Investments	11	1	1
Investments in subsidiary undertakings	9	1,532,773	1,524,773
		<hr/>	<hr/>
		1,532,774	1,524,774
		<hr/>	<hr/>
Current assets			
Debtors due within one year	13	3,079,676	3,075,704
Debtors due after one year	13	1,605,494	1,605,494
Cash at bank and in hand		12,640	13,697
		<hr/>	<hr/>
		4,697,810	4,694,895
Creditors: Amounts falling due within one year	15	(613,170)	(613,170)
		<hr/>	<hr/>
Net current assets		4,084,640	4,081,725
		<hr/>	<hr/>
Total assets less current liabilities		5,617,414	5,606,499
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	19	104,842	104,842
Share premium account		163,163	163,163
Capital redemption reserve	20	310,843	310,843
Capital reserve	20	4,949,336	4,949,336
Profit and loss account		89,230	78,315
		<hr/>	<hr/>
Shareholders' funds (including non-equity)	22	5,617,414	5,606,499
		<hr/>	<hr/>

The financial statements were approved by the Board on 30 July 1996 and signed on its behalf by:

C. S. R. Stroyan

Colin Strathearn Ropner Stroyan
Director

IOWA LAND COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31st March 1996

	1996		1995	
	£	£	£	£
Net cash inflow/(outflow) from operating activities		1,023,593		(306,622)
Returns and servicing				
Exchange gains	72,418		2,470	
Bank interest paid	(73,939)		(86,458)	
Interest element of finance lease payments	(6,552)		(6,354)	
Net cash outflow from returns on investment and servicing of finance		(8,073)		(90,342)
Taxation				
Net UK corporation tax and overseas tax		(29,433)		(59,590)
Investing activities				
Payments to acquire tangible fixed assets	(333,999)		(211,368)	
Payments to acquire fixed asset investments	(1,029,739)		(771,026)	
Payments to acquire current asset investments	(186,985)		(160,438)	
Receipts from sale of tangible fixed assets	203,092		348,383	
Receipts from sale of fixed asset investments	1,476,048		1,054,722	
Receipts from sale of current asset investments	107,006		232,826	
Net cash inflow from investing activities		235,423		493,099
Net cash inflow before financing		1,221,510		36,545
Capital element of finance lease payments		(60,973)		(78,667)
Purchase of own shares		-		(16,160)
		(60,973)		(94,827)
Increase/(decrease) in cash and cash equivalents		1,160,537		(58,282)

IOWA LAND COMPANY LIMITED

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	1996	1995
	£	£
Operating profit	216,051	12,219
Depreciation	121,996	104,874
Increase in stocks	(71,358)	(25,223)
Decrease/(increase) in debtors	650,567	(296,515)
Increase/(decrease) in creditors	90,569	(90,961)
Tax credits on franked investment income	-	26,738
Decrease/(increase) in current asset investment provision	32,642	(32,475)
Profit on disposal of current asset investments	(14,160)	(5,279)
Profit on disposal of fixed assets	(2,714)	-
	<u>1,023,593</u>	<u>(306,622)</u>

ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Bank loan		Finance lease obligation	
	1996	1995	1996	1995
	£	£	£	£
At 1 st April	600,000	600,000	68,941	73,968
Net Inception of finance leases	-	-	90,211	73,640
Net cash flow from financing	-	-	(60,973)	(78,667)
	<u>600,000</u>	<u>600,000</u>	<u>98,179</u>	<u>68,941</u>

ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENT

	Cash at bank	Overdraft	Total
	£	£	£
At 1 st April 1995	501,425	(217,429)	283,996
Cash inflow	1,060,352	100,185	1,160,537
	<u>1,561,777</u>	<u>(117,244)</u>	<u>1,444,533</u>

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

1. ACCOUNTING POLICIES

Accounting convention

These financial statements have been prepared in accordance with applicable accounting standards under the historical cost basis of accounting as modified by the revaluation of land and buildings.

Basis of consolidation

The consolidated financial statements incorporate those of Iowa Land Company Limited and its subsidiary companies.

As permitted by section 230 of the Companies Act 1985, the profit and loss account of the parent company has not been separately presented in the financial statements.

Fixed assets and depreciation

No division is made of the cost or valuation of freehold land and buildings into the proportion relating to land and the proportion relating to buildings. In the opinion of the directors it would not be meaningful to do so given the nature of the buildings which are, for the most part, farm buildings. No depreciation is provided for farm buildings, but all costs of maintaining the buildings to a high standard are written off as incurred. Depreciation is provided to write off other fixed assets over their expected useful lives at the following rates:

Short leaseholds	Over the period of lease
Implements, plant and machinery	10% - 15% pa
Office equipment, furniture, fixtures and fittings	4% - 33% pa
Motor vehicles	25% pa

Investment properties

Investment properties are revalued annually at open market value and any temporary surplus or deficit is transferred to investment property revaluation reserve. Permanent deficits on individual properties are charged in the profit and loss account which is also credited with subsequent reversals.

As these properties are held for investment purposes not consumption, depreciation is not considered to be relevant. In accordance with SSAP 19 no depreciation or amortisation is provided in respect of freehold and long leasehold investment properties. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount, which might otherwise be shown, cannot be separately identified or quantified.

Leased assets

Assets held under finance leases are included in the balance sheet and depreciated in accordance with the group's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

Farming stocks

Farming stocks have been valued at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

1. ACCOUNTING POLICIES (Continued)

Investments

Investments held as fixed assets are included at cost. Provision is made where in the opinion of the directors any diminution in value is permanent.

Investments held as trading stock are shown as current assets and are included at the lower of cost or market value.

Income from investments

Income from investment in equities is included when received. Interest income from fixed interest and index linked stock is accrued to the end of the financial period.

Investment interest receivable

Interest on cash deposits is accrued to the end of the financial period.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currency are translated into sterling at the rate of exchange ruling at the year end.

Turnover

Turnover represents invoiced sales of farming produce, exclusive of VAT.

Government Grants

Grants of a revenue nature are credited to the profit and loss account in the year in which they accrue.

Grants of a capital nature received for land and buildings (which are not depreciated) have been deducted from the original cost of the relevant asset. This is not in accordance with schedule 4 to the Companies Act 1985, which requires fixed assets to be shown at their purchase price or production cost and hence grants and contributions would be presented as deferred income. This departure from the requirements of the Act is, in the opinion of the directors, necessary since complying with the Act would not give a true and fair view as no provision is made for depreciation and any grants and contributions relating to such assets would not be taken to the profit and loss account.

Pensions

The group operates a defined contribution pension scheme. The assets of the scheme are invested and managed independently of the finances of the group. The pension cost charge represents contributions payable in the year.

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

2. SEGMENTAL INFORMATION

	1996 £	1995 £
Other direct expenses and farming activities		
Cost of livestock	274,793	281,945
Other direct costs	405,794	369,205
Administration costs - all companies	927,141	973,517
	<u>1,607,728</u>	<u>1,624,667</u>
Profit before interest payable		
Farming	199,052	42,783
Investment and property	223,091	234,883
	<u>422,143</u>	<u>277,666</u>

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1996 £	1995 £
Profit on ordinary activities is arrived at after charging:		
Auditors remuneration	22,363	23,565
Depreciation	121,996	104,874
	<u></u>	<u></u>
and after crediting:		
Subsidies and grants	318,922	195,784
Bank interest receivable	94,759	32,479
	<u></u>	<u></u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	1996 £	1995 £
Bank overdrafts repayable wholly within five years not by instalments	73,939	86,458
Finance leases	6,552	6,354
	<u>80,491</u>	<u>92,812</u>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

5. EMPLOYEES AND STAFF COSTS

Directors interest in transactions:

Mr P H Lawson was a consultant to a firm of solicitors which provided legal and other services to the Group. Payments in respect of his services as a director were £Nil (1995: £Nil).

	1996 £	1995 £
Costs incurred in respect of employees (including remuneration as per note 6) were:-		
Wages and salaries	345,150	325,514
Social security costs	31,440	28,056
Other pension costs	7,005	13,982
	<u>383,595</u>	<u>367,552</u>
	No.	No.
The average weekly number of employees (including directors) during the year was as follows	29	27

6. DIRECTORS

Group emoluments of the company's directors.

	1996 £	1995 £
As directors	23,875	22,000

The emoluments of the Chairman, who is also the highest paid director were £14,500 (1995: £14,500).

The emoluments of the other directors, exclusive of pension contributions, were in the following ranges:

	1996 No.	1995 No.
Nil	1	1
£1 - £ 5,000	-	-
£5,001 - £10,000	1	1

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS**31st March 1996****7. PROFIT ON DISPOSAL OF FIXED ASSET INVESTMENTS**

	1996	1995
	£	£
Profit/(loss) on disposal of investments	161,108	(34,278)
Amounts written back on investment provisions	8,737	138,409
	<hr/>	<hr/>
	169,845	104,131
	<hr/> <hr/>	<hr/> <hr/>

8. TAXATION

	1996	1995
	£	£
Taxation charge based on the profit for the year:		
Corporation tax at 33% (1995: 33%)	28,915	500
Tax credits on franked investment income	25,213	25,738
Transfer to deferred tax	-	(4,800)
Overseas Tax	-	3,546
Recoverable/(irrecoverable) ACT	(3,973)	3,973
	<hr/>	<hr/>
	50,155	28,957
Prior year adjustments:		
Corporation tax	(506)	143
	<hr/>	<hr/>
	49,649	29,100
	<hr/> <hr/>	<hr/> <hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

9. INTERESTS IN SUBSIDIARIES

Principal trading subsidiaries	Parent and group interest in ordinary shares and voting rights	Country of incorporation and registration	Principal activity
Teniwood Securities Ltd	100%	England and Wales	Investment holding
London Commercial and Mercantile Company Limited	100%	England and Wales	Investment dealing
Cotswold & General Farms Limited	100%	England and Wales	Investment holding
Scottish Trust Managers Limited	75%	England and Wales	Property investment
Culfargie Estates Limited	100%	Scotland	Farming and property investment
Fingask and Kinnaird Properties Limited	100%	Scotland	Farming
Strathtay and Perthshire Properties Limited	100%	Scotland	Farming
Tay and Toridon Estates Limited	100%	Scotland	Farming

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

10. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Long leaseholds £	Short leaseholds £	Plant equipment and motor vehicles £	Total £
Cost or valuation					
At 1 st April 1995	6,116,910	110,000	4,862	1,138,168	7,369,940
Additions	207,018	(430)	9,621	208,001	424,210
Disposals	(104,816)	-	(3,404)	(126,647)	(234,867)
Revaluation	8,929	430	-	-	9,359
At 31 st March 1996	6,228,041	110,000	11,079	1,219,522	7,568,642
Depreciation					
At 1 st April 1995	-	-	4,862	611,880	616,742
Charge for the year	-	-	9,621	112,375	121,996
Released on disposal	-	-	(3,404)	(67,332)	(70,736)
At 31 st March 1996	-	-	11,079	656,923	668,002
Net book value					
At 31 st March 1996	6,228,041	110,000	-	562,599	6,900,640
At 31 st March 1995	6,116,910	110,000	-	526,288	6,753,198

Freehold land and buildings includes investment properties revalued by the directors at the balance sheet date at the open market value of £193,750 (1995: £102,500).

The group's Scottish estates were revalued on 9th August 1993 of £5,952,000 on the basis of their open market value, by a firm of Chartered Surveyors. This valuation is incorporated in the financial statements. The valuation has been reviewed by the directors and in their opinion is no less than the current market value.

The historical cost of freehold property is £2,851,304 (1995: £2,747,193).

Long leaseholds were revalued by the directors at the balance sheet date at the open market value of £110,000 (1995: £110,000).

There were no capital commitments at 31st March 1996 or 1995.

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

11. FIXED ASSET INVESTMENTS

Group	Listed in United Kingdom £	Listed abroad £	Unlisted £	Total £
Cost				
At 1 st April 1995	2,060,408	1,494,522	926,099	4,481,029
Additions	285,592	680,536	63,611	1,029,739
Disposals	(835,456)	(290,933)	(188,551)	(1,314,940)
At 31 st March 1996	1,510,544	1,884,125	801,159	4,195,828
Provisions				
At 1 st April 1995	93,553	39,330	42,932	175,815
Movement in the year	(41,613)	(15,940)	56,816	(737)
At 31 st March 1996	51,940	23,390	99,748	175,078
Net book value				
At 31 st March 1996	1,458,604	1,860,735	701,411	4,020,750
At 31 st March 1995	1,966,855	1,455,192	883,167	4,305,214
Market value				
At 31 st March 1996	2,596,734	2,248,289	743,797	5,588,820
At 31 st March 1995	3,058,610	1,537,438	884,384	5,480,432

The market value of listed investments is based on mid-market published prices.

The market value of unlisted investments has been estimated by the directors on the basis of the most recent financial information.

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

11. FIXED ASSET INVESTMENTS (Continued)

Companies in which the group holds over 10% of the issued equity capital are as follows:

	Country of registration	Description of shares/stock	Percentage held
Murray Campbell & Co Ltd	England	Ordinary	50%
		Deferred	50%
Pelican Estates Inc	U S A	Common	40%
Quail Estates Inc	U S A	Common	29%

The directors are of the opinion that as they do not exert significant influence over the day-to-day management of these companies it is not appropriate to consolidate their results.

Company

Included in the group investments listed above are unlisted investments held by the Company at 31st March 1995 and 1996 at cost of £1 (directors estimated market value of no less than £70,000).

12. STOCKS

	1996 £	1995 £
Group		
Stocks, all of which related to farming, comprised the following:		
Cattle and sheep	397,685	434,714
Crops	173,635	99,908
Sundry	98,841	64,181
	<hr/>	<hr/>
	670,161	598,803
	<hr/>	<hr/>

13. DEBTORS

	Group		Company	
	1996 £	1995 £	1996 £	1995 £
Due within one year				
Trade debtors	62,248	62,357	-	-
Other debtors	38,872	697,547	-	-
Corporation tax and income tax recoverable	7,119	13,610	-	-
Amounts due from subsidiary undertakings	-	-	3,079,671	3,075,704
Prepayments and accrued income	46,258	38,041	5	-
	<hr/>	<hr/>	<hr/>	<hr/>
	154,497	811,555	3,079,676	3,075,704
	<hr/>	<hr/>	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

13. DEBTORS (Continued)

	Group		Company	
	1996	1995	1996	1995
	£	£	£	£
Due after one year				
Amounts owed by subsidiary undertaking	-	-	1,605,494	1,605,494
	<u>-</u>	<u>-</u>	<u>1,605,494</u>	<u>1,605,494</u>
	-	-	1,605,494	1,605,494
	<u>-</u>	<u>-</u>	<u>1,605,494</u>	<u>1,605,494</u>

14. CURRENT ASSET INVESTMENTS

Group	1996	1995
	£	£
Listed, at lower of cost and market value	159,225	97,728
	<u>159,225</u>	<u>97,728</u>
Market value, based on mid-market published prices	168,975	97,728
	<u>168,975</u>	<u>97,728</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	1996	1995	1996	1995
	£	£	£	£
Bank loan and overdrafts	117,244	217,429	-	-
Obligations under finance leases	55,224	48,668	-	-
Tax and social security	3,179	4,648	-	-
Trade creditors	88,888	63,995	-	-
Other creditors	104,680	48,552	2,713	2,713
Amounts due to subsidiary undertakings	-	-	610,457	610,457
Accruals and deferred income	78,794	67,777	-	-
Corporation Tax	14,225	500	-	-
	<u>462,234</u>	<u>451,569</u>	<u>613,170</u>	<u>613,170</u>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Group	1996 £	1995 £
Bank loans	600,000	600,000
Obligations under finance leases	42,955	20,273
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	642,955	620,273
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The bank loan bears interest at a fixed rate of 9.3% per annum and is repayable in full not later than July 1997.

A subsidiary company has guaranteed the bank loan of £600,000 granted to a fellow subsidiary supported by a Memorandum of Deposit over marketable securities.

17. DEBT ANALYSIS

	Group		Company	
	1996 £	1995 £	1996 £	1995 £
Repayable within 1 year	172,468	266,097	-	-
Repayable in 1 - 2 years	642,955	20,273	-	-
Repayable in 2 - 5 years	-	600,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	815,423	886,370	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

18. PROVISION FOR LIABILITIES AND CHARGES

Group	1996 £	1995 £
Deferred taxation		
The provision for deferred taxation which comprises the full potential liability is:		
Accelerated capital allowances	78,592	75,900
Other short term timing differences	-	-
Less: unrelieved trading losses	(78,592)	(75,900)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

No liability to corporation tax would arise if the freehold land and buildings were to be sold at the revalued amounts incorporated in the accounts.

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

19. CALLED UP SHARE CAPITAL

	1996 £	1995 £
Authorised		
450,000 4.55% Non-cumulative preference shares of £ 1 each	450,000	450,000
565,000 ordinary shares of 10p each	56,500	56,500
	<hr/>	<hr/>
	506,500	506,500
	<hr/>	<hr/>
	1996 £	1995 £
Allotted and fully paid:		
49,484 4.55% Non-cumulative preference shares of £1 each	49,484	49,484
553,583 ordinary shares of 10p each	55,358	55,358
	<hr/>	<hr/>
	104,842	104,842
	<hr/>	<hr/>

The preference shareholders are entitled to a fixed preferential dividend at the rate of 4.55% per annum payable out of the profits which the directors determine to distribute.

On a winding up, the preference shares carry priority over other classes of share as to the repayment of capital, but not as to arrears of dividend as they are non-cumulative.

The preference shares are non-voting shares.

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

20. OTHER RESERVES

	Group		Company	
	1996	1995	1996	1995
	£	£	£	£
Capital reserve				
Balance at 1 st April	7,397,480	7,298,247	4,949,336	4,949,336
Transfer from profit and loss account	-	100,000	-	-
Other adjustment	(8,000)	(767)	-	-
	<u>7,389,480</u>	<u>7,397,480</u>	<u>4,949,336</u>	<u>4,949,336</u>
Reserve arising on consolidation	173,765	173,765	-	-
	<u>7,563,245</u>	<u>7,571,245</u>	<u>4,949,336</u>	<u>4,949,336</u>
Balance at 31 st March	<u>7,563,245</u>	<u>7,571,245</u>	<u>4,949,336</u>	<u>4,949,336</u>
Revaluation reserve				
Balance at 1 st April	3,369,717	3,332,876	-	-
Revaluation	7,020	36,841	-	-
	<u>3,376,737</u>	<u>3,369,717</u>	<u>-</u>	<u>-</u>
Balance at 31 st March	<u>3,376,737</u>	<u>3,369,717</u>	<u>-</u>	<u>-</u>
Capital redemption reserve				
Balance at 1 st April	310,843	310,575	310,843	310,575
Nominal value of shares repurchased	-	268	-	268
	<u>310,843</u>	<u>310,843</u>	<u>310,843</u>	<u>310,843</u>
Balance at 31 st March	<u>310,843</u>	<u>310,843</u>	<u>310,843</u>	<u>310,843</u>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1996

21. PROFIT AND LOSS ACCOUNT

	1996	1995
	£	£
Group		
At 1 st April	462,296	422,305
Profit for the financial year	362,568	156,151
Transfer to capital reserve (note 20)	-	(100,000)
Repurchase of own shares	-	(16,160)
	<hr/>	<hr/>
At 31 st March	824,864	462,296
	<hr/>	<hr/>

22. SHAREHOLDERS' FUNDS

	Group		Company	
	1996	1995	1996	1995
	£	£	£	£
Equity shareholders' interests	12,294,210	11,932,622	5,567,930	5,557,015
Non-equity shareholders' interests	49,484	49,484	49,484	49,484
	<hr/>	<hr/>	<hr/>	<hr/>
	12,343,694	11,982,106	5,617,414	5,606,499
	<hr/>	<hr/>	<hr/>	<hr/>

Non-equity interests of £49,484 (1995: £49,484) comprise 49,484 4.55% non-cumulative preference shares of £1 each.