

15399

IOWA LAND COMPANY LIMITED

FINANCIAL STATEMENTS

31st MARCH 1999



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 4DZ

Registered Number 15399

Auditors Moore Stephens
Chartered Accountants
St. Paul's House
Warwick Lane
London EC4P 4BN

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 2nd November 1999 at 12:30 p.m. for the following purposes:

1. To receive the directors' report and accounts for the year ended 31st March 1999.
2. To re-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

29th July 1999

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.

IOWA LAND COMPANY LIMITED

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 1999.

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 £ 382,315 (1998: £251,995) after taking account of profits from investment and fixed asset disposals net of provisions of £404,922 (1998: £235,590). The profit after taxation and minority interest of £239,121 (1998: £188,155) is accounted for through the profit and loss account.

The directors do not propose a dividend.

Review of the business

The consolidated Profit and Loss Account for the year to 31st March 1999 showed a welcome return to profitability with an after tax profit of £239,121 against an after tax profit (excluding exceptional items) of £10,440 for 1998. The investment company was the major contributor, while the dealing company and property company incurred small losses for the year. Dealing activities, however, showed a return to profit during the second half of the year and the small loss on the property company can be attributed to the cost of the alterations in the shareholding structure.

In Scotland, farming in general remained very depressed, but the small profit of approximately £16,000 generated by the farms was somewhat better than anticipated, though not sufficient to offset losses incurred on the other estate enterprises. The directors of the Scottish companies have agreed various changes in farming practice which are likely to prove expensive in the year to 31st March 2000, but should increase profitability in the longer term.

The cautious approach to investment business will be continued, with a substantial degree of liquidity being maintained, which will provide flexibility when suitable opportunities for acquiring shares arise. In the other businesses the directors intend to maintain their approach of taking up suitable positions both in the dealing activity and in the property business as 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.

IOWA LAND COMPANY LIMITED

REPORT OF THE DIRECTORS **(Continued)**

Directors' responsibilities for financial statements (continued)

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.

Directors

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

	Ordinary shares of 10p each	
	31st March 1999	31st March 1998
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 1999.

Year 2000

The directors have kept under review the risks associated with the Year 2000 problem, both with regard to internal use of computer systems and embedded chips and in connection with relationships with third parties. They are satisfied that any steps outstanding will be completed in sufficient time to eliminate any potential problems. The total costs of ensuring Year 2000 compliance are not expected to be significant.

Auditors

A resolution for the re-appointment of Moore Stephens as auditors will be proposed at the Annual General Meeting.

The report of the directors was approved by the Board on 29th July 1999 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 11 and 12.

Respective responsibilities of directors and auditors

As described on pages 3 and 4 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.

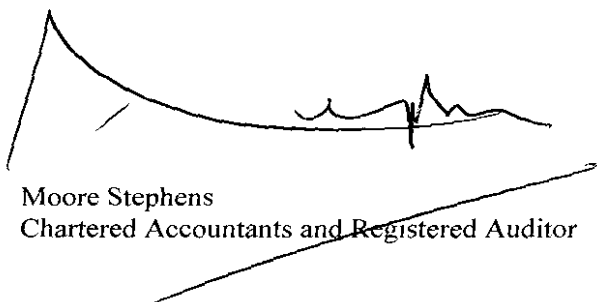
Basis of opinion

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 1999 and of the profit, total recognised gains and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Moore Stephens
Chartered Accountants and Registered Auditor

London
29th July 1999

IOWA LAND COMPANY LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31st March 1999**

	Note	1999 £	1998 £
Income: continuing operations			
Turnover: Farming activities		1,235,280	1,309,599
Rental income		130,781	110,374
Investment dealing activities		(47,276)	6,504
Investment income		157,981	175,214
Investment interest receivable		53,355	53,950
		<hr/>	<hr/>
Total income		1,530,121	1,655,641
Operating costs	2	(1,540,376)	(1,776,245)
		<hr/>	<hr/>
Operating loss: continuing operations		(10,255)	(120,604)
		<hr/>	<hr/>
Profit on disposal of tangible fixed assets		1,333	23,824
Profit on disposal of fixed asset investments	7	403,589	211,766
		<hr/>	<hr/>
		404,922	235,590
		<hr/>	<hr/>
Profit before interest		394,667	114,986
Interest payable	4	(29,296)	(45,724)
Exchange gains		16,944	5,018
Exceptional profit	6	-	177,715
		<hr/>	<hr/>
Profit on ordinary activities before taxation		382,315	251,995
Tax on profit on ordinary activities	8	(143,838)	(62,045)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		238,477	189,950
Minority Interest		644	(1,795)
		<hr/>	<hr/>
Profit for the financial year	24	239,121	188,155
		<hr/> <hr/>	<hr/> <hr/>

Movements in reserves are shown in notes 23 and 24 on page 24.

IOWA LAND COMPANY LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31st March 1999**

	1999	1998
	£	£
Profit for the financial year	239,121	188,155
Unrealised surplus on property revaluation	50,404	39,289
Deferred taxation on revaluation	(11,331)	(29,300)
Less: Share of minority interest	(9,768)	(2,497)
	<hr/>	<hr/>
Total recognised gains	268,426	195,647
	<hr/>	<hr/>

**RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS
for the year ended 31st March 1999**

	1999	1998
	£	£
Total recognised gains	268,426	195,647
Opening shareholders' funds	12,640,999	12,445,352
	<hr/>	<hr/>
Closing shareholders' funds	12,909,425	12,640,999
	<hr/>	<hr/>

**NOTE ON HISTORICAL COST PROFITS AND LOSSES
for the year ended 31st March 1999**

	1999	1998
	£	£
Reported profit on ordinary activities before taxation	382,315	251,995
Realisation of property revaluation gains of previous years	-	18,879
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	382,315	270,874
	<hr/>	<hr/>
Historical cost profit for the year retained after taxation and minority interest	239,121	207,034
	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED**CONSOLIDATED BALANCE SHEET**
at 31st March 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible fixed assets	10	7,385,541	7,271,982
Investments	11	3,862,073	3,857,074
		<hr/>	<hr/>
		11,247,614	11,129,056
		<hr/>	<hr/>
Current assets			
Stocks	12	546,115	572,380
Debtors	13	980,807	722,272
Investments	14	133,807	116,542
Cash at bank and in hand		801,290	1,029,412
		<hr/>	<hr/>
		2,462,019	2,440,606
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	15	(672,396)	(809,051)
		<hr/>	<hr/>
Net current assets		1,789,623	1,631,555
		<hr/>	<hr/>
Total assets less current liabilities		13,037,237	12,760,611
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	16	(9,655)	(53,910)
Provision for liabilities and charges	18	(72,631)	(29,300)
		<hr/>	<hr/>
Net assets		12,954,951	12,677,401
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	22	104,842	104,842
Share premium account		163,163	163,163
Capital redemption reserve	23	310,843	310,843
Revaluation reserve	23	3,428,353	3,399,048
Other reserves	23	5,068,565	5,068,565
Profit and loss account	24	3,833,659	3,594,538
		<hr/>	<hr/>
Shareholders' funds (including non-equity)	25	12,909,425	12,640,999
Minority interests' (equity)		45,526	36,402
		<hr/>	<hr/>
		12,954,951	12,677,401
		<hr/>	<hr/>

Approved by the Board of Directors on 29th July 1999
and signed on its behalf by: *C. S. R. Stroyan*

Colin Strathern Ropner Stroyan, Director

IOWA LAND COMPANY LIMITED**BALANCE SHEET**
at 31st March 1999

	Note	1999 £	1998 £
Fixed assets			
Investments		1	1
Investments in subsidiary undertakings	9	1,532,973	1,532,973
		<hr/>	<hr/>
		1,532,974	1,532,974
		<hr/>	<hr/>
Current assets			
Debtors due within one year	13	3,030,199	3,030,199
Debtors due after one year	13	1,605,494	1,605,494
Cash at bank and in hand		65,331	63,510
		<hr/>	<hr/>
		4,701,024	4,699,203
Creditors: Amounts falling due within one year	15	(613,720)	(613,170)
		<hr/>	<hr/>
Net current assets		4,087,304	4,086,033
		<hr/>	<hr/>
Total assets less current liabilities		5,620,278	5,619,007
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	22	104,842	104,842
Share premium account		163,163	163,163
Capital redemption reserve	23	310,843	310,843
Capital reserve	23	4,949,336	4,949,336
Profit and loss account	24	92,094	90,823
		<hr/>	<hr/>
Shareholders' funds (including non-equity)	25	5,620,278	5,619,007
		<hr/>	<hr/>

Approved by the Board of Directors on 29th July 1999 and signed on its behalf by:



Colin Strathearn Ropner Stroyan
Director

IOWA LAND COMPANY LIMITED**CONSOLIDATED CASH FLOW STATEMENT**
for the year ended 31st March 1999

	Notes	1999		1998	
		£	£	£	£
Net cash (outflow)/inflow from operating activities	20		(71,888)		81,408
Other returns on investments and servicing of finance	21 A		(12,352)		(40,706)
Taxation	21 B		(49,607)		(36,777)
Capital expenditure and financial investment	21 C		224,172		722,158
Cash inflow before management of liquid resources and financing			90,325		726,083
Management of liquid resources and financing:					
Management of liquid resources	21 D	(64,541)		45,292	
Financing	21 E	(74,799)	(139,340)	(24,649)	20,643
(Decrease)/Increase in cash			(49,015)		746,726

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
for the year ended 31st March 1999

	Cash	Overdrafts	1999 Total	1998
	£	£	£	£
Cash flow in year	(228,122)	179,107	(49,015)	746,726
Balance at 1 st April	1,029,412	(464,591)	564,821	(181,905)
Balance at 31st March	801,290	(285,484)	515,806	564,821

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1999

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 1999

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 year.

Investment interest receivable

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

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 material and 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 1999****2. SEGMENTAL INFORMATION**

	1999	1998
	£	£
Other direct expenses and farming activities		
Cost of livestock	253,810	361,577
Other direct costs	316,047	397,728
Administration costs - all companies	970,519	1,016,940
	<hr/>	<hr/>
	1,540,376	1,776,245
	<hr/>	<hr/>

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1999	1998
	£	£
Profit on ordinary activities is arrived at after charging:		
Auditors remuneration	17,934	17,163
Depreciation	112,596	131,244
	<hr/>	<hr/>
and after crediting:		
Subsidies and grants	325,960	277,913
Bank interest receivable	53,355	53,950
	<hr/>	<hr/>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	1999	1998
	£	£
Bank loans and overdrafts	23,585	38,669
Other loans	5,711	7,055
	<hr/>	<hr/>
	29,296	45,724
	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
31st March 1999**5. EMPLOYEES AND STAFF COSTS**

	1999	1998
	£	£
Costs incurred in respect of employees (including directors) were:-		
Wages and salaries	382,926	361,095
Social security costs	33,295	32,726
Other pension costs	6,282	9,869
	<hr/>	<hr/>
	422,503	403,690
	<hr/>	<hr/>
	No.	No.
The average monthly number of employees during the year was as follows	21	21
	<hr/>	<hr/>
	1999	1998
	£	£
Directors emoluments:-		
Other emoluments	35,312	33,250
	<hr/>	<hr/>

6. EXCEPTIONAL PROFIT

	1999	1998
	£	£
Refund of pension scheme surplus	-	296,193
Less: tax paid	-	(118,478)
	<hr/>	<hr/>
	-	177,715
	<hr/>	<hr/>

7. PROFIT ON DISPOSAL OF FIXED ASSET INVESTMENTS

	1999	1998
	£	£
Profit on disposal of investments	417,240	390,542
Investment provisions	(13,651)	(178,776)
	<hr/>	<hr/>
	403,589	211,766
	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31st March 1999****8. TAXATION**

	1999	1998
	£	£
Taxation charge based on the profit for the year:		
Corporation tax at 31% (1998: 31%)	114,750	53,719
Tax suffered on investment income	18,050	21,230
Deferred taxation	32,000	-
	<hr/>	<hr/>
	164,800	74,949
Prior year adjustments:		
Corporation tax	(20,962)	(12,904)
	<hr/>	<hr/>
	143,838	62,045
	<hr/>	<hr/>

9. INTERESTS IN SUBSIDIARIES

Principal 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
The London Commercial and Mercantile Company Limited	100%	England and Wales	Investment dealing
Scottish Trust Managers Limited	75%	England and Wales	Property investment
Culfargie Estates Limited	100%	Scotland	Farming and property investment
Tay and Torridon Estates Limited	100%	Scotland	Farming
Cotswold & General Farms Limited	100%	England and Wales	Dormant
Fingask and Kinnaird Properties Limited	100%	Scotland	Dormant
Strathtay and Perthshire Properties Limited	100%	Scotland	Dormant

IOWA LAND COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31st March 1999****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 1998	6,485,541	130,000	11,079	1,398,689	8,025,309
Additions	145,586	-	-	50,412	195,998
Disposals	-	-	-	(41,003)	(41,003)
Revaluation	30,404	20,000	-	-	50,404
At 31 st March 1999	6,661,531	150,000	11,079	1,408,098	8,230,708
Depreciation					
At 1 st April 1998	-	-	11,079	742,248	753,327
Charge for the year	-	-	-	112,596	112,596
Released on disposal	-	-	-	(20,756)	(20,756)
At 31 st March 1999	-	-	11,079	834,088	845,167
Net book value					
At 31 st March 1999	6,661,531	150,000	-	574,010	7,385,541
At 31 st March 1998	6,485,541	130,000	-	656,441	7,271,982

Freehold land and buildings includes investment properties revalued by the directors at the balance sheet date at the open market value of £498,000 (1998: £372,300).

The group's Scottish estates were revalued on 9th August 1993 at £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 £3,388,520 (1998: £3,242,934).

Long leaseholds held on investment properties were revalued by the directors at the balance sheet date at the open market value of £150,000 (1998: £130,000).

There were no capital commitments at 31st March 1999 or 1998.

IOWA LAND COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31st March 1999****11. FIXED ASSET INVESTMENTS**

Group	Listed in	Listed	Unlisted	Total
Cost	United Kingdom	abroad	£	£
	£	£		
At 1 st April 1998	1,400,299	2,135,482	785,070	4,320,851
Additions	947,941	334,980	410	1,283,331
Disposals	(512,808)	(741,823)	(10,050)	(1,264,681)
At 31 st March 1999	1,835,432	1,728,639	775,430	4,339,501
Provisions				
At 1 st April 1998	129,488	225,857	108,432	463,777
Movement in the year	49,464	(35,813)	-	13,651
At 31 st March 1999	178,952	190,044	108,432	477,428
Net book value				
At 31 st March 1999	1,656,480	1,538,595	666,998	3,862,073
At 31 st March 1998	1,270,811	1,909,625	676,638	3,857,074
Market value				
At 31 st March 1999	2,885,777	2,411,565	708,209	6,005,551
At 31 st March 1998	2,796,580	2,489,327	717,849	6,003,756

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 1999

11. FIXED ASSET INVESTMENTS (Continued)

Companies in which the group holds over 20% 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.

12. STOCKS

Group	1999 £	1998 £
Stocks, all of which related to farming, comprised the following:		
Cattle and sheep	393,591	393,373
Crops	105,596	119,370
Sundry	46,928	59,637
	<hr/>	<hr/>
	546,115	572,380
	<hr/>	<hr/>

13. DEBTORS

	Group		Company	
	1999 £	1998 £	1999 £	1998 £
Due within one year				
Trade debtors	900,761	626,628	-	-
Other debtors	30,925	39,677	-	-
Amounts due from subsidiary undertakings	-	-	3,030,199	3,030,199
Prepayments and accrued income	49,121	55,967	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	980,807	722,272	3,030,199	3,030,199
	<hr/>	<hr/>	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS**31st March 1999****13. DEBTORS (Continued)**

	Group		Company	
	1999	1998	1999	1998
	£	£	£	£
Due after one year				
Amounts owed by subsidiary undertaking	-	-	1,605,494	1,605,494
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	1,605,494	1,605,494
	<hr/>	<hr/>	<hr/>	<hr/>

14. CURRENT ASSET INVESTMENTS

	1999	1998
Group	£	£
Listed, at lower of cost and market value	133,807	116,542
	<hr/>	<hr/>
Market value, based on mid-market published prices	142,025	121,831
	<hr/>	<hr/>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	1999	1998	1999	1998
	£	£	£	£
Bank loan and overdrafts	285,484	464,591	-	-
Obligations under finance				
Leases	59,395	89,939	-	-
Tax and social security	5,569	5,507	-	-
Trade creditors	95,507	91,209	-	-
Other creditors	45,686	45,686	2,713	2,713
Amounts due to subsidiary undertakings	-	-	610,457	610,457
Accruals and deferred income	78,743	72,338	-	-
Corporation Tax	102,012	39,781	550	-
	<hr/>	<hr/>	<hr/>	<hr/>
	672,396	809,051	613,720	613,170
	<hr/>	<hr/>	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS**31st March 1999****16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

Group	1999 £	1998 £
Obligations under finance leases	9,655	53,910
	<hr/>	<hr/>

17. DEBT ANALYSIS

	Group		Company	
	1999 £	1998 £	1999 £	1998 £
Repayable within 1 year	344,879	554,530	-	-
Repayable in 1 - 2 years	9,655	-	-	-
Repayable in 2 - 5 years	-	53,910	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	354,534	608,440	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

18. PROVISION FOR LIABILITIES AND CHARGES

Group	1999 £	1998 £
Deferred taxation		
The provision for deferred taxation which comprises the full potential liability is:		
Accelerated capital allowances	84,766	91,784
Less: unrelieved trading losses	(52,766)	(91,784)
Revaluation of tangible fixed assets	40,631	29,300
	<hr/>	<hr/>
	72,631	29,300
	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1999

19. CASH FLOW INFORMATION

In accordance with the revised FRS 1 the following definitions have been applied:

- (i) Cash: cash in hand , overnight deposits and overnight borrowings.
- (ii) Liquid resources: all monetary assets (excluding cash at (i) above) which are convertible into cash at, or close to, the carrying value in the balance sheet.
- (iii) Debt financing: all borrowings other than overnight.

20. RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	1999	1998
	£	£
Operating loss	(10,255)	(120,604)
Depreciation	112,596	131,244
Decrease in stocks	26,265	22,192
(Increase) in debtors	(258,535)	(145,438)
Increase in creditors	10,765	22,803
Loss/(Profit) on disposal of current asset investments	47,276	(6,504)
Refund of pension scheme surplus	-	177,715
	<hr/>	<hr/>
	(71,888)	81,408
	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS**31st March 1999****21. ANALYSIS OF CASH FLOWS GIVEN IN THE CASH FLOW STATEMENT****A. Other returns on investments and servicing of finance**

	1999	1998
	£	£
Exchange gains	16,944	5,018
Bank interest paid	(23,585)	(38,669)
Interest element of finance lease payments	(5,711)	(7,055)
	<hr/>	<hr/>
Net cash outflow from other returns on investments and servicing of finance	(12,352)	(40,706)
	<hr/>	<hr/>

B. Taxation

	1999	1998
	£	£
Net UK corporation tax and overseas tax	31,557	15,547
Tax suffered on UK investment income	18,050	21,230
	<hr/>	<hr/>
Net cash outflow for taxation	49,607	36,777
	<hr/>	<hr/>

C. Capital expenditure and financial investment

	1999	1998
	£	£
Purchase of tangible fixed assets	(195,998)	(251,208)
Sale of tangible fixed assets	21,580	182,434
Purchase of fixed asset investments	(1,283,331)	(955,618)
Sale of fixed asset investments	1,681,921	1,746,550
	<hr/>	<hr/>
Net cash inflow for capital expenditure and financial investment	224,172	722,158
	<hr/>	<hr/>

D. Management of liquid resources

	1999	1998
	£	£
Purchase of current asset investments	(185,563)	(281,430)
Sale of current asset investments	121,022	326,722
	<hr/>	<hr/>
Net cash (outflow)/inflow	(64,541)	45,292
	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st March 1999

21. ANALYSIS OF CASH FLOWS GIVEN IN THE CASH FLOW STATEMENT (continued)

E. Financing

	1999 £	1998 £
(Decrease) in finance leases	(74,799)	(24,649)
	<hr/>	<hr/>
Cash outflow	(74,799)	(24,649)
	<hr/>	<hr/>

22. CALLED UP SHARE CAPITAL

	1999 £	1998 £
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/>
	1999 £	1998 £
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 1999****23. OTHER RESERVES**

	Group		Company	
	1999	1998	1999	1998
	£	£	£	£
Capital reserve				
Balance at 1 st April and at 31 st March	5,068,565	5,068,565	4,949,336	4,949,336
	<hr/>	<hr/>	<hr/>	<hr/>
Revaluation reserve				
Balance at 1 st April	3,399,048	3,410,435	-	-
Revaluation	37,803	29,467	-	-
Transfer to profit and loss account on realisation	-	(18,879)	-	-
Deferred taxation	(8,498)	(21,975)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 st March	3,428,353	3,399,048	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Capital redemption reserve				
Balance at 1 st April and at 31 st March	310,843	310,843	310,843	310,843
	<hr/>	<hr/>	<hr/>	<hr/>

24. PROFIT AND LOSS ACCOUNT

	Group		Company	
	1999	1998	1999	1998
	£	£	£	£
At 1 st April	3,594,538	3,387,504	90,823	89,101
Profit for the financial year	239,121	188,155	1,271	1,722
Transfer from revaluation reserve (Note 23)	-	18,879	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 st March	3,833,659	3,594,538	92,094	90,823
	<hr/>	<hr/>	<hr/>	<hr/>

IOWA LAND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS**31st March 1999****25. SHAREHOLDERS' FUNDS**

	Group		Company	
	1999	1998	1999	1998
	£	£	£	£
Equity shareholders' interests	12,859,941	12,591,515	5,570,794	5,569,523
Non-equity shareholders' interests	49,484	49,484	49,484	49,484
	<hr/>	<hr/>	<hr/>	<hr/>
	12,909,425	12,640,999	5,620,278	5,619,007
	<hr/>	<hr/>	<hr/>	<hr/>

Non-equity interests of £49,484 (1998: £49,484) comprise 49,484 4.55% non-cumulative preference shares of £1 each.