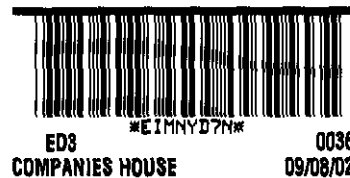

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IOWA LAND COMPANY LIMITED

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 7RJ

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 31st October 2002 at 12:30 p.m. for the following purposes:

1. To receive the directors' report and accounts for the year ended 31st March 2002.
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

1st August 2002

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 2002.

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 loss for the year before taxation was £146,453 (2001: £184,315 profit) after taking account of profits from investment and fixed asset disposals net of provisions of £64,193 (2001: £274,810). The loss after taxation and minority interest of £122,298 (2001: £158,032 profit) is accounted for through the profit and loss account.

The introduction of FRS 19 (Deferred Taxation) has necessitated the restatement of the profit after tax for 2001. The profit previously reported was £159,691.

The directors do not propose a dividend.

Review of the business

The consolidated loss for the year ended 31st March 2002, reflected the downturn in the stock markets world wide following the horrendous events of 11th September 2001, and the continuing depressed conditions of agriculture in the UK.

The investment company, which has previously been a major contributor to the group, provided a small profit, but the dealing company, although starting the year on a profitable basis, returned a loss at the year end. The residential housing market in London remained strong and although the property subsidiary made a profit, it was unable to add to its stock of houses due to the very high prices prevailing during the period.

The farming industry continued to be depressed by the outbreak of Foot-and-mouth Disease, which was not finally brought to an end until November 2001, and the low price of grain. The income from farms in Scotland suffered on both accounts. The participation in a partnership growing organic vegetables has however fared better and should make a significant contribution in future years.

The initiatives on estate management referred to in the Review of Business for the previous year have taken longer to produce the anticipated savings, but remain on course and should provide benefits in the longer term.

The current year has seen a further decline in stock markets, but the directors intend to proceed with the utmost caution in running the business and will take all possible steps to safeguard the assets of the Group.

REPORT OF THE DIRECTORS

(Continued)

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.

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 2002 31st March 2001

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 9.

The group's Scottish estates are included at a professional valuation of £9,000,000 as at 31st March 2000. The group's English freehold properties are included on the basis of the directors' estimate of the current market value at 31st March 2002.

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 1st August 2002 and signed on its behalf by:



Roger William Toye
Secretary

IOWA LAND COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IOWA LAND COMPANY LIMITED

We have audited the financial statements of Iowa Land Company Limited for the year ended 31st March 2002 set out on pages 6 to 26. These financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and the accounting policies set out on pages 11 to 13.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements with in it.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 of the group as at 31st March 2002 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


MOORE STEPHENS

Moore Stephens
Chartered Accountants and Registered Auditor
London, EC4P 4BN

1st August 2002

IOWA LAND COMPANY LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT for the year ended 31st March 2002

	Note	2002 £	2001 £ Restated
Income: continuing operations			
Turnover: Farming activities		1,372,215	1,278,850
Rental income		139,779	129,885
Investment dealing activities		(54,487)	44,358
Investment income		175,207	183,324
Investment interest receivable		32,989	33,814
		<hr/>	<hr/>
Total income		1,665,703	1,670,231
Operating costs	2	(1,848,053)	(1,740,964)
		<hr/>	<hr/>
Operating loss: continuing operations		(182,350)	(70,733)
		<hr/>	<hr/>
Profit/(loss) on disposal of tangible fixed assets		89,433	(1,789)
(Loss)/profit on disposal of fixed asset investments	4	(25,240)	276,599
		<hr/>	<hr/>
		64,193	274,810
		<hr/>	<hr/>
(Loss)/profit before interest		(118,157)	204,077
Interest payable	6	(27,878)	(27,996)
Exchange (losses)/gains		(418)	8,234
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(146,453)	184,315
Tax on profit on ordinary activities	7	24,992	(37,463)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities after taxation		(121,461)	146,852
Minority Interest		(837)	11,180
		<hr/>	<hr/>
Retained (loss)/profit for the financial year	23	(122,298)	158,032
		<hr/> <hr/>	<hr/> <hr/>

Movements in reserves are shown in notes 22 and 23 on pages 25 and 26 respectively.

IOWA LAND COMPANY LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31st March 2002**

	2002 £	2001 £ Restated
Result for the financial year	(122,298)	158,032
Unrealised surplus on property revaluation (net of minority interest)	109,084	94,062
Taxation on revaluation (net of minority interest)	2,151	-
	<hr/>	<hr/>
Total recognised (losses) and gains for the year	(11,063)	252,094
Prior year adjustment	225,798	-
	<hr/>	<hr/>
	214,735	252,094
	<hr/> <hr/>	<hr/> <hr/>

**RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS
for the year ended 31st March 2002**

	2002 £	2001 £ Restated
Opening shareholders' funds at 1 st April	16,387,332	15,954,042
Prior year adjustment in respect of FRS 19 (net of minority interest)	-	181,196
	<hr/>	<hr/>
As restated	16,387,332	16,135,238
Total recognised (losses) and gains for the year	(11,063)	252,094
	<hr/>	<hr/>
Closing shareholders' funds at 31 st March	16,376,269	16,387,332
	<hr/> <hr/>	<hr/> <hr/>

**NOTE ON HISTORICAL COST PROFITS AND LOSSES
for the year ended 31st March 2002**

	2002 £	2001 £
Reported (loss)/profit on ordinary activities before taxation	(146,453)	184,315
Realisation of property revaluation gains of previous years	92,241	3,000
	<hr/>	<hr/>
Historical cost (loss)/profit on ordinary activities before taxation	(54,212)	187,315
	<hr/> <hr/>	<hr/> <hr/>
Historical cost (loss)/profit for the year retained after taxation and minority interest	(30,057)	161,032
	<hr/> <hr/>	<hr/> <hr/>

IOWA LAND COMPANY LIMITED

CONSOLIDATED BALANCE SHEET at 31st March 2002

	Note	2002 £	2001 £ Restated
Fixed assets			
Tangible fixed assets	9	10,224,093	10,344,524
Investments	10	4,796,371	4,464,263
		<hr/>	<hr/>
		15,020,464	14,808,787
		<hr/>	<hr/>
Current assets			
Stocks	11	594,903	557,908
Debtors	12	707,609	586,786
Investments	13	148,775	529,003
Cash at bank and in hand		767,129	724,888
		<hr/>	<hr/>
		2,218,416	2,398,585
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	14	(677,063)	(676,122)
		<hr/>	<hr/>
Net current assets		1,541,353	1,722,463
		<hr/>	<hr/>
Total assets less current liabilities		16,561,817	16,531,250
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	15	(52,674)	(41,925)
		<hr/>	<hr/>
Net assets		16,509,143	16,489,325
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	21	104,842	104,842
Share premium account		163,163	163,163
Capital redemption reserve	22	310,843	310,843
Revaluation reserve	22	6,341,423	6,324,580
Other reserves	22	5,068,565	5,068,565
Profit and loss account	23	4,387,433	4,415,339
		<hr/>	<hr/>
Shareholders' funds (including non-equity)	24	16,376,269	16,387,332
Minority interests (equity)		132,874	101,993
		<hr/>	<hr/>
		16,509,143	16,489,325
		<hr/>	<hr/>

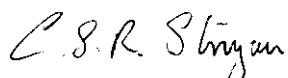
Approved by the Board of Directors on 1st August 2002
and signed on its behalf by:

C. S. R. Stroyan
Colin Strathern Ropner Stroyan, Director

IOWA LAND COMPANY LIMITED**BALANCE SHEET**
at 31st March 2002

	Note	2002 £	2001 £
Fixed assets			
Investments		1	1
Investments in subsidiary undertakings	8	1,532,973	1,532,973
		<hr/>	<hr/>
		1,532,974	1,532,974
		<hr/>	<hr/>
Current assets			
Debtors due within one year	12	2,990,604	3,030,199
Debtors due after one year	12	1,605,494	1,605,494
Cash at bank and in hand		68,531	67,928
		<hr/>	<hr/>
		4,664,629	4,703,621
Creditors: Amounts falling due within one year	14	(573,976)	(613,720)
		<hr/>	<hr/>
Net current assets		4,090,653	4,089,901
		<hr/>	<hr/>
Total assets less current liabilities		5,623,627	5,622,875
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	21	104,842	104,842
Share premium account		163,163	163,163
Capital redemption reserve	22	310,843	310,843
Capital reserve	22	4,949,336	4,949,336
Profit and loss account	23	95,443	94,691
		<hr/>	<hr/>
Shareholders' funds (including non-equity)	24	5,623,627	5,622,875
		<hr/>	<hr/>

Approved by the Board of Directors on 1st August 2002 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 2002

	Notes	2002		2001	
		£	£	£	£
Net cash outflow from operating activities	19		(92,974)		(3,094)
Other returns on investments and servicing of finance	20 A		(28,296)		(19,762)
Taxation	20 B		(25,650)		(38,708)
Capital expenditure and financial investment	20 C		(110,517)		47,652
Cash outflow before management of liquid resources and financing			(257,437)		(13,912)
Management of liquid resources and financing:					
Management of liquid resources	20 D	325,742		223,330	
Financing	20 E	30,105	355,847	43,947	267,277
Increase in cash			98,410		253,365

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS for the year ended 31st March 2002

	Cash £	Overdrafts £	2002 Total £	2001 £
Cash flow in year	42,241	56,169	98,410	253,365
Balance at 1 st April	724,888	(395,350)	329,538	76,173
Balance at 31st March	767,129	(339,181)	427,948	329,538

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

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. Depreciation is provided to write off fixed assets over their expected useful lives at the following rates:

Farm buildings	2%
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 2002

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 result for the year and takes into account deferred or accelerated taxation.

Deferred taxation is provided on timing differences that have originated, but not reversed by the balance sheet date on a non-discounted basis.

Deferred taxation assets are recognised only to the extent that it is more likely than not that there will be suitable trading profits from which future reversals of the underlying timing differences can be deducted. No provision is made where the amounts involved are not material.

Following the adoption of FRS19 group companies have ceased providing for deferred taxation on revaluation surpluses. Comparative figures have been restated where necessary.

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.

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

1. ACCOUNTING POLICIES (Continued)

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

2. OPERATING COSTS

	2002 £	2001 £
Other direct expenses and farming activities		
Cost of livestock	183,108	252,826
Other direct costs	443,776	343,000
Administration costs - all companies	1,221,169	1,145,138
	<hr/>	<hr/>
	1,848,053	1,740,964
	<hr/>	<hr/>

3. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2002 £	2001 £
(Loss)/profit on ordinary activities is arrived at after charging:		
Auditors remuneration	18,953	18,203
Depreciation	108,476	105,195
	<hr/>	<hr/>
and after crediting:		
Subsidies and grants	318,182	302,779
Bank interest receivable	32,989	33,814
	<hr/>	<hr/>

4. (LOSS)/PROFIT ON DISPOSAL OF FIXED ASSET INVESTMENTS

	2002 £	2001 £
Profit on disposal of investments	192,879	271,070
Investment provision (increase)/decrease	(218,119)	5,529
	<hr/>	<hr/>
	(25,240)	276,599
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

5. EMPLOYEES AND STAFF COSTS

	2002	2001
	£	£
Costs incurred in respect of employees (including directors) were:-		
Wages and salaries	382,288	370,009
Social security costs	32,025	32,308
Other pension costs	8,503	8,685
	<hr/>	<hr/>
	422,816	411,002
	<hr/>	<hr/>

	No.	No.
The average monthly number of employees including directors during the year was as follows	21	21
	<hr/>	<hr/>

	2002	2001
	£	£
Directors emoluments:-		
Other emoluments	37,450	37,088
	<hr/>	<hr/>

No pension costs were incurred in respect of directors of the company.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Bank loans and overdrafts	20,364	24,103
Hire purchase agreements	7,514	3,893
	<hr/>	<hr/>
	27,878	27,996
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

7. TAXATION

	2002 £	2001 £ Restated
(a) Analysis of tax charge for the year:		
Corporation tax	8,700	61,200
Prior year adjustment	(5,456)	404
	<hr/>	<hr/>
Current tax charge	3,244	61,604
Deferred tax	(28,236)	(24,141)
	<hr/>	<hr/>
(Credit)/charge	(24,992)	37,463
	<hr/>	<hr/>
(b) Factors affecting current tax charge for the year:		
Expected (credit)/charge at 30%	(44,170)	36,504
Effect of:		
Taxation allowances	(1,004)	(936)
Indexation allowances on capital gains	(22,892)	(15,273)
Short term timing differences on investments	39,120	24,079
Non taxable investment income	(24,345)	(22,202)
Other	(67)	1,205
Losses not available for offset	45,135	45,810
Timing differences between capital allowances and depreciation	(5,771)	(4,176)
Other short term timing differences	4,107	-
Utilisation of prior year losses	(2,513)	(3,811)
Utilisation of losses against realised revaluation gains	21,100	-
	<hr/>	<hr/>
	8,700	61,200
Prior year adjustment	(5,456)	404
	<hr/>	<hr/>
Current tax charge	3,244	61,604
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS**31st March 2002****8. 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

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

9. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Short leaseholds £	Plant equipment and motor vehicles £	Total £
Cost or valuation				
At 1 st April 2001	9,784,557	11,079	1,490,836	11,286,472
Additions	32,913	-	184,740	217,653
Disposals	(300,036)	-	(155,128)	(455,164)
Revaluation	145,445	-	-	145,445
At 31 st March 2002	9,662,879	11,079	1,520,448	11,194,406
Depreciation				
At 1 st April 2001	-	11,079	930,869	941,948
Charge for the year	-	-	108,476	108,476
Released on disposal	-	-	(80,111)	(80,111)
At 31 st March 2002	-	11,079	959,234	970,313
Net book value				
At 31 st March 2002	9,662,879	-	561,214	10,224,093
At 31 st March 2001	9,784,557	-	559,967	10,344,524
Historical cost				
At 31 st March 2002	3,532,701	11,079	1,490,836	5,034,616

Freehold land and buildings includes investment properties revalued by the directors at the balance sheet date at the open market value of £657,000 (2001: £752,000). The revaluation of £145,445 relates solely to these properties.

The group's Scottish estates were revalued on 31st March 2000 at £9,000,000 on the basis of their open market value, by Bell Ingram, Chartered Surveyors in accordance with the RICS Appraisal and Valuation Manual. This valuation is incorporated in the financial statements.

Financial Reporting Standard (FRS) 15 requires all assets excluding investment properties to be depreciated over their estimated economic life taking account of any residual value of assets. The group's freehold land and buildings are considered to have a high residual value and a useful economic life in excess of fifty years. It is the directors' policy to maintain the buildings in a continual state of sound repair and accordingly the depreciation charge is considered immaterial. Therefore, no charge has been made.

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

9. TANGIBLE FIXED ASSETS (continued)

Where no charge for depreciation is made and where the useful economic life exceeds fifty years an impairment review should be carried out on an annual basis. Such a review has been performed and in the Directors' opinion the market value and residual value of freehold land and buildings is in excess of the carrying value and there is no impairment.

Included in Plant and Equipment are assets financed under hire purchase agreements with a net book value of £167,496 (2001: £127,113) and a depreciation charge of £36,288 (2001: £26,122).

10. FIXED ASSET INVESTMENTS

Group	Listed in United Kingdom £	Listed abroad £	Unlisted £	Total £
Cost				
At 1 st April 2001	1,993,218	2,085,643	841,258	4,920,119
Additions	835,017	1,047,021	43,850	1,925,888
Disposals	(683,400)	(683,802)	(8,459)	(1,375,661)
At 31 st March 2002	2,144,835	2,448,862	876,649	5,470,346
Provisions				
At 1 st April 2001	169,426	127,998	158,432	455,856
Movement in the year	13,420	141,182	63,517	218,119
At 31 st March 2002	182,846	269,180	221,949	673,975
Net book value				
At 31 st March 2002	1,961,989	2,179,682	654,700	4,796,371
At 31 st March 2001	1,823,792	1,957,645	682,826	4,464,263
Market value				
At 31 st March 2002	2,929,173	2,962,602	695,910	6,587,685
At 31 st March 2001	2,762,839	2,803,439	724,037	6,290,315

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.

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

10. 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.

11. STOCKS

Group	2002 £	2001 £
Stocks, all of which relate to farming, comprise the following:		
Cattle and sheep	409,161	402,455
Crops	139,941	104,517
Sundry	45,801	50,936
	<u>594,903</u>	<u>557,908</u>

12. DEBTORS

	Group		Company	
	2002 £	2001 £	2002 £	2001 £
		Restated		
Due within one year				
Trade debtors	465,001	341,367	-	-
Other debtors	25,298	31,402	-	-
Amounts due from subsidiary undertakings	-	-	2,990,604	3,030,199
Prepayments and accrued income	62,863	81,520	-	-
Taxation recoverable	3,655	9,941	-	-
Deferred taxation (note 17)	150,792	122,556	-	-
	<u>707,609</u>	<u>586,786</u>	<u>2,990,604</u>	<u>3,030,199</u>

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

12. DEBTORS (Continued)

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
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>

13. CURRENT ASSET INVESTMENTS

	2002	2001
Group	£	£
Listed, at lower of cost and market value	148,775	529,003
	<u>148,775</u>	<u>529,003</u>
Market value, based on mid-market published prices	154,205	562,672
	<u>154,205</u>	<u>562,672</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Bank loan and overdrafts	339,181	395,350	-	-
Obligations under finance				
Leases	63,027	43,671	-	-
Tax and social security	7,601	5,555	-	-
Trade creditors	144,623	81,919	-	-
Other creditors	45,686	45,686	2,713	2,713
Amounts due to subsidiary undertakings	-	-	570,862	610,457
Accruals and deferred income	73,544	76,013	-	-
Corporation Tax	3,401	27,928	401	550
	<u>677,063</u>	<u>676,122</u>	<u>573,976</u>	<u>613,720</u>

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

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

Group	2002 £	2001 £
Obligations under finance leases	52,674	41,925

16. DEBT ANALYSIS

	Group		Company	
	2002 £	2001 £	2002 £	2001 £
Repayable within 1 year	402,208	439,021	-	-
Repayable in 1 - 2 years	52,674	41,925	-	-
	<u>454,882</u>	<u>480,946</u>	<u>-</u>	<u>-</u>

17. DEFERRED TAXATION

	2002 £	2001 £ Restated
Deferred taxation - Group		
The deferred taxation asset comprises:		
Accelerated capital allowances	(97,700)	(89,400)
Unrelieved trading losses	50,300	49,400
Other short term timing differences on investment provisions	198,192	162,556
	<u>150,792</u>	<u>122,556</u>
	2002 £	2001 £
Balance at 1 st April	122,556	(97,042)
Prior year adjustments	-	195,457
	<u>122,556</u>	<u>98,415</u>
Balance 1 April - as restated	122,556	98,415
Movement in year	28,236	24,141
	<u>150,792</u>	<u>122,556</u>

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

17. DEFERRED TAXATION (continued)

	2002 £	2001 £ Restated
Group potential tax liability on disposal at market value of:		
Fixed asset investments	268,527	325,482
Investment properties	120,500	89,000
	<u>389,027</u>	<u>414,482</u>

No provision for this liability has been made in these accounts.

18. 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.

19. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2002 £	2001 £
Operating loss	(182,350)	(70,733)
Depreciation	108,476	105,195
Increase in stocks	(36,995)	(513)
(Increase)/decrease in debtors	(98,873)	7,564
Increase/(decrease) in creditors	62,281	(249)
Loss/(profit) on disposal of current asset investments	54,487	(44,358)
	<u>(92,974)</u>	<u>(3,094)</u>

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

20. ANALYSIS OF CASH FLOWS GIVEN IN THE CASH FLOW STATEMENT

A. Other returns on investments and servicing of finance

	2002 £	2001 £
Exchange (losses)/gains	(418)	8,234
Bank interest paid	(20,364)	(24,103)
Interest element of finance lease payments	(7,514)	(3,893)
	<hr/>	<hr/>
Net cash outflow from other returns on investments and servicing of finance	(28,296)	(19,762)
	<hr/>	<hr/>

B. Taxation

	2002 £	2001 £
Net UK corporation tax and overseas tax	(25,650)	(38,708)
	<hr/>	<hr/>

C. Capital expenditure and financial investment

	2002 £	2001 £
Purchase of tangible fixed assets	(217,653)	(186,641)
Sale of tangible fixed assets	464,485	35,092
Purchase of fixed asset investments	(1,925,888)	(1,255,822)
Sale of fixed asset investments	1,568,539	1,455,023
	<hr/>	<hr/>
Net cash (outflow)/inflow for capital expenditure and financial investment	(110,517)	47,652
	<hr/>	<hr/>

D. Management of liquid resources

	2002 £	2001 £
Purchase of current asset investments	(643,832)	(13,370)
Sale of current asset investments	969,574	236,700
	<hr/>	<hr/>
Net cash inflow	325,742	223,330
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

31st March 200220. ANALYSIS OF CASH FLOWS GIVEN IN THE CASH FLOW STATEMENT
(continued)

E. Financing

	2002 £	2001 £
Increase in finance leases	30,105	43,947
Cash inflow	30,105	43,947

21. CALLED UP SHARE CAPITAL

	2002 £	2001 £
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
	506,500	506,500

	2002 £	2001 £
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
	104,842	104,842

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.

NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

22. OTHER RESERVES

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
		Restated		
Capital reserve				
Balance at 1 st April and at 31 st March	5,068,565	5,068,565	4,949,336	4,949,336
Revaluation reserve				
Balance at 1 st April	6,324,580	6,190,737	-	-
Prior year adjustment in respect of FRS 19 - deferred tax written back	-	42,781	-	-
As restated	6,324,580	6,233,518	-	-
Revaluation in the year	109,084	94,062	-	-
Transfer to profit and loss account on realisation	(92,241)	(3,000)	-	-
Balance at 31 st March	6,341,423	6,324,580	-	-

The revaluation in the year is net of minority interests.

Capital redemption reserve

Balance at 1 st April and at 31 st March	310,843	310,843	310,843	310,843
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NOTES TO THE FINANCIAL STATEMENTS

31st March 2002

23. PROFIT AND LOSS ACCOUNT

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
	Restated			
At 1 st April as previously reported	4,415,339	4,115,892	94,691	93,199
Prior year adjustment in respect of FRS 19	-	138,415	-	-
As restated	4,415,339	4,254,307	94,691	93,199
Result for the financial year	(122,298)	158,032	752	1,492
Transfer from revaluation reserve (Note 22)	92,241	3,000	-	-
Corporation tax on realisation	2,151	-	-	-
At 31 st March	4,387,433	4,415,339	95,443	94,691

24. SHAREHOLDERS' FUNDS

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
	Restated			
Equity shareholders' interests	16,326,785	16,337,848	5,574,143	5,573,391
Non-equity shareholders' interests	49,484	49,484	49,484	49,484
	16,376,269	16,387,332	5,623,627	5,622,875

Non-equity interests of £49,484 (2001: £49,484) comprise 49,484 4.55% non-cumulative preference shares of £1 each.