

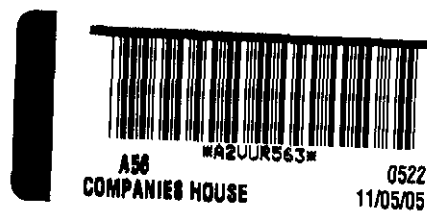
HUTTON WANDESLEY FARMS COMPANY

REPORT AND ACCOUNTS

for the year ended

31 October 2004

UNAUDITED



HUTTON WANDESLEY FARMS COMPANY

BOARD OF DIRECTORS: Mrs P. R. York
E. C. York
Mrs S. A. York

COMPANY SECRETARY: Mrs P. R. York (resigned 31/05/04)
Mrs S. A. York (appointed 31/05/04)

REGISTERED OFFICE: 54 Bootham
York
YO30 7XZ

COMPANY NUMBER: 902281

TRADING ADDRESS: The Estate Office
Long Marston
York
YO26 7LL

Telephone: 01904 738755

BANKERS: HSBC plc
11 North Street
Wetherby
West Yorkshire
LS22 4NT

SOLICITORS: Withers
12 Gough Square
London
EC4A 3DE

ACCOUNTANTS: HPH
Chartered Accountants
54 Bootham
York
YO30 7XZ

HUTTON WANDESLEY FARMS COMPANY

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2004

The directors have pleasure in presenting their report and the accounts for the year ended 31 October 2004.

PRINCIPAL ACTIVITY

The principal activity of the Company continues to be farming.

DIRECTORS

The directors in office throughout the year and their beneficial interests in the issued share capital of the Company were as follows:

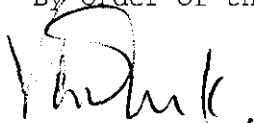
	31 October 2004	1 November 2003
Mrs P. R. York	4,250	4,250
E. C. York	-	-
Mrs S. A. York	-	-

No rights have been granted or exercised entitling the directors to subscribe for shares in the Company.

EXEMPTION

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

By Order of the Board,



Mrs S. A. York
Secretary

York
19 April 2005

HUTTON WANDESLEY FARMS COMPANY

PROFIT AND LOSS ACCOUNT - UNAUDITED
FOR THE YEAR ENDED 31 OCTOBER 2004

	Notes	2004	2003
		£	£
TURNOVER	2	623,392	698,598
Cost of sales		120,411	272,407
GROSS PROFIT		502,981	426,191
Distribution costs		26,178	30,330
Administrative expenses		79,151	77,361
Other operating expenses		276,670	196,711
		381,999	304,402
		120,982	121,789
Other operating income		2,009	3,196
OPERATING PROFIT	3	122,991	124,985
Income from investments	4	33,110	32,357
Interest payable		1,226	2,256
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		154,875	155,086
Tax on profit on ordinary activities	5	30,737	30,030
RETAINED PROFIT FOR THE YEAR	14	£ 124,138	£ 125,056

The notes on pages 4 to 9 form part of these accounts.

HUTTON WANDESLEY FARMS COMPANY

BALANCE SHEET - UNAUDITED

31 OCTOBER 2004

	Notes	2004	2003
		£	£
FIXED ASSETS			
Tangible assets	6	527,360	539,763
CURRENT ASSETS			
Stocks		185,082	139,844
Debtors	7	351,396	469,828
Cash at bank and in hand		288,359	38,827
		<u>824,837</u>	<u>648,499</u>
CREDITORS: amounts falling due within one year	8	<u>219,996</u>	<u>166,152</u>
NET CURRENT ASSETS		<u>604,841</u>	<u>482,347</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,132,201</u>	<u>1,022,110</u>
CREDITORS: amounts falling due after more than one year	9	34,096	46,000
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	12	34,162	36,305
NET ASSETS		<u>£ 1,063,943</u>	<u>£ 939,805</u>
CAPITAL AND RESERVES			
Called up share capital	13	35,000	35,000
Profit and loss account	14	1,028,943	904,805
SHAREHOLDERS' FUNDS		<u>£ 1,063,943</u>	<u>£ 939,805</u>

In the directors' opinion the Company was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31 October 2004. No notice from members requiring an audit has been deposited under section 249B(2) of the Companies Act 1985 in relation to its accounts for the financial year.

The directors are responsible for ensuring that the Company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit and loss for each year in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the Company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the Board on 19 April 2005
and signed on its behalf by:



E. C. York

Director

York

The notes on pages 4 to 9 form part of these accounts.

HUTTON WANDESLEY FARMS COMPANY

NOTES TO THE ACCOUNTS - UNAUDITED
FOR THE YEAR ENDED 31 OCTOBER 2004

1. ACCOUNTING POLICIES

a) Basis of Accounting

The accounts are prepared under the historical cost convention and in accordance with:

- i) the Financial Reporting Standard for Smaller Entities (effective June 2002); and
- ii) the special provisions of Part VII of the Companies Act 1985 relating to small companies.

b) Depreciation

Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Leasehold properties	- at 10% reducing balance
Plant and equipment	- at 20% reducing balance
Motor vehicles	- at 25% reducing balance

c) Leased Assets

Where the Company has entered into finance leases, the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets. Leases are regarded as finance leases where the terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to legal title. Rentals payable under operating leases are charged to the profit and loss account as incurred.

d) Stocks and Work-in-Progress

Stocks and work-in-progress are valued at the lower of cost and net realisable value. Cost is determined on a 'first in, first out' basis and in the case of work-in-progress and finished goods includes all direct expenditure and production and other overheads, based on normal levels of activity, incurred in bringing products to their present location and condition. Costs of certain long-term contracts within work-in-progress include an appropriate proportion of the attributable profit less payments on account.

e) Deferred Taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's accounts. Deferred tax is provided in full on material timing differences which result in an obligation to pay more (or less) tax at a future date at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

f) Government Grants

Amounts received from the Government in respect of agricultural subsidies are recorded in the profit and loss account in the period to which the subsidy relates.

g) Pension Schemes

Payments to the pension schemes for employees and to a directors money purchase Retirement Benefit Scheme are charged to the profit and loss account in the period to which they relate.

HUTTON WANDESLEY FARMS COMPANY

NOTES TO THE ACCOUNTS - UNAUDITED
FOR THE YEAR ENDED 31 OCTOBER 2004

2. TURNOVER

Turnover represents the net amount invoiced to customers less trade discounts, excluding value added tax and sales of fixed assets. Turnover arose wholly within the United Kingdom.

Included in turnover is £148,657 (2003 £157,153) representing Government subsidies. The majority of this is in respect of land set aside from farming and is expected to replace the profits which would have been generated had the land been farmed.

	2004	2003
	£	£

3. OPERATING PROFIT

This is stated after charging/(crediting):

Operating lease rentals	276	276
Depreciation	102,749	57,414
Profit on sale of assets	(9,497)	(33,300)
	<hr/>	<hr/>

4. INCOME FROM INVESTMENTS

Rents received	4,858	17,887
Bank interest received	8,458	3,410
Management fee receivable	19,794	11,060
	<hr/>	<hr/>
	£ 33,110	£ 32,357
	<hr/>	<hr/>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

Based on profits for the year:

Corporation tax at 19% (2003 19%)	32,889	15,673
Deferred taxation at 19% (2003 19%)	(2,143)	14,177
(Over)/under provision in earlier years	(9)	180
	<hr/>	<hr/>
	£ 30,737	£ 30,030
	<hr/>	<hr/>

HUTTON WANDESLEY FARMS COMPANY

NOTES TO THE ACCOUNTS - UNAUDITED
FOR THE YEAR ENDED 31 OCTOBER 2004

6. TANGIBLE FIXED ASSETS

	<i>Land and Buildings</i>	<i>Plant and machinery etc</i>	<i>Total</i>
	£	£	£
Cost or valuation:			
1 November 2003	558,324	779,287	1,337,611
Additions at cost	-	90,800	90,800
Disposals	-	(20,551)	(20,551)
	<hr/>	<hr/>	<hr/>
31 October 2004	558,324	849,536	1,407,860
	<hr/>	<hr/>	<hr/>
Depreciation:			
1 November 2003	370,364	427,484	797,848
Disposals	-	(20,097)	(20,097)
Provision for year	7,960	94,789	102,749
	<hr/>	<hr/>	<hr/>
31 October 2004	378,324	502,176	880,500
	<hr/>	<hr/>	<hr/>
Net book values:			
31 October 2004	£ 180,000	£ 347,360	£ 527,360
	<hr/>	<hr/>	<hr/>
31 October 2003	£ 187,960	£ 351,803	£ 539,763
	<hr/>	<hr/>	<hr/>

Assets with net book values amounting to £150,741 (2003 £176,867) after charging depreciation of £40,359 (2003 £13,848) during the year were held under hire purchase agreements at 31 October 2004.

	<i>2004</i>	<i>2003</i>
	£	£
7. DEBTORS		
Trade debtors	171,260	224,599
Other debtors	180,136	245,229
	<hr/>	<hr/>
	£ 351,396	£ 469,828
	<hr/>	<hr/>

8. CREDITORS: amounts falling due within one year

Bank loans and overdrafts	-	1,420
Trade creditors	72,613	73,623
Other creditors	109,014	70,868
Corporation tax	32,889	15,673
Social security and other taxes	5,480	4,568
	<hr/>	<hr/>
	£ 219,996	£ 166,152
	<hr/>	<hr/>

9. CREDITORS: amounts falling due after more than one year

Other creditors	£ 34,096	£ 46,000
	<hr/>	<hr/>

HUTTON WANDESLEY FARMS COMPANY

NOTES TO THE ACCOUNTS - UNAUDITED
FOR THE YEAR ENDED 31 OCTOBER 2004

10. FINANCE LEASE AGREEMENTS

Finance leases and hire purchase agreements are secured. Details of future payments due under these agreements are as follows:

	2004 £	2003 £
Due within one year	34,096	29,721
Due within the second to fifth years	34,096	46,000
	<hr/> 68,192	<hr/> 75,721
<u>Less:</u> Finance charges allocated to future years	<hr/> -	<hr/> -
	<hr/> <u>£ 68,192</u>	<hr/> <u>£ 75,721</u>

11. OTHER FINANCIAL COMMITMENTS

The Company has operating lease commitments, other than in respect of land and buildings, which expires between one and five years inclusive amounting to £276 (2003 £276).

12. DEFERRED TAXATION

Deferred taxation provided in the accounts, and the total potential liability including the amounts for which provision has been made, is as follows:

	2004 £	2003 £
Timing differences arising from:		
Accelerated tax		
depreciation allowances	<hr/> £ 34,162	<hr/> £ 36,305

Movement in the provision

	£
Provision at 1 November 2003	36,305
Transfer to profit and loss account	<hr/> (2,143)
Provision at 31 October 2004	<hr/> <u>£ 34,162</u>

HUTTON WANDESLEY FARMS COMPANY

NOTES TO THE ACCOUNTS - UNAUDITED
FOR THE YEAR ENDED 31 OCTOBER 2004

	2004 £	2003 £
13. CALLED UP SHARE CAPITAL		
Authorised:		
Ordinary shares of £1 each	£ 35,000	£ 35,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	£ 35,000	£ 35,000
	<u> </u>	<u> </u>

14. PROFIT AND LOSS ACCOUNT

1 November 2003	904,805
Retained profit for the year	124,138
	<u> </u>
31 October 2004	£ 1,028,943
	<u> </u>

15. TRANSACTIONS WITH DIRECTORS

The land known as Hutton Wandesley Farm is cultivated jointly by Hutton Wandesley Farms Company and E. and S. York Farms. E. C. and S. A. York are partners in E. and S. York Farms and directors of the Company. Most costs and revenues are apportioned between the two entities on an acreage basis, according to land owned or rented by each. There is a management fee receivable in the Company's profit and loss account of £19,794 (2003 £11,060) in respect of items not dealt with on an acreage basis. At the year end E. and S. York Farms owed the Company £229 (2003 £2,536 owed from the Company).

During the year the Company paid rent of £20,950 (2003 £20,950) to Hutton Settlement Number 2, of which E. C. York is a trustee. Rent of £12,801 (2003 £12,801) was paid to the E. C. York 1997 Settlement of which E. C. York is a trustee.

HUTTON WANDESLEY FARMS COMPANY

NOTES TO THE ACCOUNTS - UNAUDITED
FOR THE YEAR ENDED 31 OCTOBER 2004

15. TRANSACTIONS WITH DIRECTORS (continued)

At the 31 October 2004 the following amounts were due (to) or from the Company:

	2004 £	2003 £
Hutton Settlement No. 2 (formerly York Grandchildrens Trust)	1,279	(879)
E. C. Property Account (formerly E. C. York Fund)	4,000	(5,072)
E. C. York 1997 Settlement	7,572	(12,848)
Major C. York 1934 Marriage Settlement	5,200	2,600
Hutton Stud	600	-

E. C. York is trustee of the Major C. York 1934 Marriage Settlement, life tenant of the E. C. York Fund and partner in Hutton Stud.

At the year end the following amounts were due (to) or from the Company to its directors:

E. C. York	28,391	(43,546)
Mrs S. A. York	5,778	10,178
Mrs P. R. York	665	(1,828)

The directors loans are interest free and are repayable on demand.