

Registration number 00902281

# Hutton Wandesley Farms Company

Directors' Report and Unaudited Financial Statements

for the year ended 31 October 2006



HPH  
Chartered Accountants  
54 Bootham  
York  
YO30 7XZ

**Hutton Wandesley Farms Company**  
**Officers and Advisers**

<b>Directors</b>	E C York Mrs P R York (deceased 13 April 2007) Mrs S A York
<b>Secretary</b>	Mrs S A York
<b>Registered office</b>	54 Bootham York YO30 7XZ
<b>Solicitors</b>	Harcus Sinclair 40 Victoria Embankment London EC4Y 0BA
<b>Bankers</b>	HSBC Bank plc 11 North Street Wetherby West Yorkshire LS22 4NT
<b>Accountants</b>	HPH Chartered Accountants 54 Bootham York YO30 7XZ

**Hutton Wandesley Farms Company**  
**Directors' Report for the Year Ended 31 October 2006**

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

**Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

**Principal activity**

The principal activity of the company is farming

**Directors and their interests**

The directors who held office during the year and their beneficial interest in the shares of the company were as follows

Ordinary shares of £1 each		
	As at 31 October 2006 No	As at 1 November 2005 No
E C York	-	-
Mrs P R York (deceased 13 April 2007)	4,250	4,250
Mrs S A York	-	-

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

**Small company provisions**

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

**Hutton Wandesley Farms Company**  
**Directors' Report for the Year Ended 31 October 2006**

*continued*

Approved by the Board on 29 May 2007 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'S A York', followed by a period.

Mrs S A York  
Company Secretary

**Hutton Wandesley Farms Company**  
**Profit and Loss Account for the Year Ended 31 October 2006 - UNAUDITED**

	<b>Note</b>	<b>2006 £</b>	<b>2005 £</b>
Turnover	2	661,090	657,490
Cost of sales		(197,176)	(96,607)
<b>Gross profit</b>		<u>463,914</u>	<u>560,883</u>
Distribution costs		(53,388)	(56,380)
Administrative expenses		(382,542)	(459,680)
Other operating income		14,284	15,469
<b>Operating profit</b>	3	<u>42,268</u>	<u>60,292</u>
Other interest receivable and similar income		3,404	10,947
Interest payable and similar charges		(6)	(265)
<b>Profit on ordinary activities before taxation</b>		<u>45,666</u>	<u>70,974</u>
Tax on profit on ordinary activities	4	(11,591)	(15,648)
<b>Profit for the financial year</b>		<u>34,075</u>	<u>55,326</u>
<b>Retained profit for the financial year</b>		<u><u>£34,075</u></u>	<u><u>£55,326</u></u>

The notes on pages 6 to 11 form an integral part of these financial statements


**Hutton Wandesley Farms Company**  
**Balance Sheet as at 31 October 2006 - UNAUDITED**

		2006		2005	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		687,602		701,546
<b>Current assets</b>					
Stocks	6	274,522		257,148	
Debtors	7	313,817		336,679	
Cash at bank and in hand		128,728		93,479	
		<u>717,067</u>		<u>687,306</u>	
<b>Creditors Amounts falling due within one year</b>	8	<u>(210,578)</u>		<u>(229,365)</u>	
<b>Net current assets</b>			<u>506,489</u>		<u>457,941</u>
<b>Total assets less current liabilities</b>			1,194,091		1,159,487
<b>Provisions for liabilities</b>	9		<u>(40,747)</u>		<u>(40,218)</u>
<b>Net assets</b>			<u>£1,153,344</u>		<u>£1,119,269</u>
<b>Capital and reserves</b>					
Called up share capital	10		35,000		35,000
Profit and loss reserve	11		1,118,344		1,084,269
<b>Equity shareholders' funds</b>			<u>£1,153,344</u>		<u>£1,119,269</u>

For the financial year ended 31 October 2006, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985, and no notice has been deposited under section 249B(2) requesting an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the Companies Act 1985, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Approved by the Board on 29 May 2007 and signed on its behalf by

ECY 

E C York  
Director

The notes on pages 6 to 11 form an integral part of these financial statements

## **Hutton Wandesley Farms Company**

### **Notes to the Financial Statements for the Year Ended 31 October 2006 - UNAUDITED**

#### **1 Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

##### **Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance
Leasehold properties	10% reducing balance

##### **Government grants**

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate

##### **Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

##### **Deferred taxation**

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted

##### **Hire purchase and finance lease contracts**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets acquired under instalment finance agreements are treated as tangible fixed assets and depreciation is provided accordingly. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

##### **Operating leases**

Rentals paid under operating leases are charged to the profit and loss account as incurred

## Hutton Wandesley Farms Company

### Notes to the Financial Statements for the Year Ended 31 October 2006 - UNAUDITED

*continued*

#### Pensions

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

#### 2 Turnover

The company's turnover represents the value, excluding value added tax, of goods and services supplied to customers during the year

Included in turnover is £155,559 (2005 - £139,230) representing Government subsidies. The majority of this relates to the Single Farm Payment. The company also receives a subsidy under the Countryside Stewardship Annual Payment Scheme

#### 3 Operating profit

Operating profit is stated after charging/(crediting)

	2006 £	2005 £
(Profit)/loss on sale of tangible fixed assets	(23,833)	1,041
Depreciation of tangible fixed assets	<u>128,911</u>	<u>102,376</u>

#### 4 Taxation

##### Analysis of current period tax charge

	2006 £	2005 £
<b>Current tax</b>		
Corporation tax charge	11,050	9,626
(Over)/under provision in previous year	<u>12</u>	<u>(34)</u>
UK Corporation tax	<u>£11,062</u>	<u>£9,592</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>£529</u>	<u>£6,056</u>
<b>Total tax on profit on ordinary activities</b>	<u>£11,591</u>	<u>£15,648</u>



# Hutton Wandesley Farms Company

## Notes to the Financial Statements for the Year Ended 31 October 2006 - UNAUDITED

*continued*

### 5 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
As at 1 November 2005	636,170	635,193	408,804	1,680,167
Additions	20,645	20,539	76,300	117,484
Disposals	-	-	(51,639)	(51,639)
As at 31 October 2006	<u>656,815</u>	<u>655,732</u>	<u>433,465</u>	<u>1,746,012</u>
<b>Depreciation</b>				
As at 1 November 2005	385,719	337,938	254,964	978,621
Eliminated on disposals	-	-	(49,122)	(49,122)
Charge for the year	14,181	60,673	54,057	128,911
As at 31 October 2006	<u>399,900</u>	<u>398,611</u>	<u>259,899</u>	<u>1,058,410</u>
<b>Net book value</b>				
As at 31 October 2006	<u>£256,915</u>	<u>£257,121</u>	<u>£173,566</u>	<u>£687,602</u>
As at 31 October 2005	<u>£250,451</u>	<u>£297,255</u>	<u>£153,840</u>	<u>£701,546</u>

### Hire purchase agreements

Included within the total net book value of tangible fixed assets is £55,420 (2005 - £100,401) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £14,580 (2005 - £33,468).

### 6 Stock and work in progress

	2006 £	2005 £
Raw materials	44,947	44,815
Work in progress	-	3,080
Finished goods	229,575	209,253
	<u>£274,522</u>	<u>£257,148</u>

**Hutton Wandesley Farms Company**

**Notes to the Financial Statements for the Year Ended 31 October 2006 - UNAUDITED**

*continued*

**7 Debtors**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Trade debtors	60,314	146,442
Other debtors	250,047	186,699
Prepayments and accrued income	3,456	3,538
	<u>£313,817</u>	<u>£336,679</u>

**8 Creditors: Amounts falling due within one year**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Obligations under finance leases and hire purchase contracts	30,025	34,096
Trade creditors	110,943	108,120
Corporation tax	11,050	9,626
Social security and other taxes	6,736	20,144
Other creditors	18,283	17,683
Director current accounts	29,791	34,080
Accruals and deferred income	3,750	5,616
	<u>£210,578</u>	<u>£229,365</u>

**9 Provisions for liabilities**

	<b>Deferred tax provision</b>
	<b>£</b>
As at 1 November 2005	40,218
Deferred tax provision charged to the profit and loss account	529
As at 31 October 2006	<u>£40,747</u>

**Hutton Wandesley Farms Company**

**Notes to the Financial Statements for the Year Ended 31 October 2006 - UNAUDITED**

*continued*

**10 Share capital**

	<b>2006 £</b>	<b>2005 £</b>
<b>Authorised</b>		
<b>Equity</b>		
35,000 Ordinary shares of £1 each	<u>£35,000</u>	<u>£35,000</u>
<b>Allotted, called up and fully paid</b>		
<b>Equity</b>		
35,000 Ordinary shares of £1 each	<u>£35,000</u>	<u>£35,000</u>

**11 Reserves**

	<b>Profit and loss reserve £</b>
Balance at 1 November 2005	1,084,269
Retained profit for the year	<u>34,075</u>
Balance at 31 October 2006	<u>£1,118,344</u>

**12 Operating lease commitments**

As at 31 October 2006 the company had annual commitments under non-cancellable operating leases as follows

	<b>2006 £</b>	<b>2005 £</b>
Between two and five years	<u>276</u>	<u>276</u>

## Hutton Wandesley Farms Company

### Notes to the Financial Statements for the Year Ended 31 October 2006 - UNAUDITED

*continued*

#### 13 Related parties

##### Controlling entity

Throughout the year the company was controlled by the York family

##### Related party transactions

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 £24,834 (2005 - £19,722) in respect of items not dealt with on an acreage basis. At the year end E and S York Farms owed the company £74,112 (2005 - £32,343).

During the year the company paid rent of £45,999 (2005 - £40,000) to Hutton Settlement Number 2, of which E C York is a trustee. At the year end the company was owed £10,092 (2006 - £15,287) from Hutton Settlement Number 2.

##### Directors' loan accounts

The following balances owed to the directors were outstanding at the year end

	2006 £	2005 £
Mrs S A York	-	978
E C York	23,173	26,480
Mrs P R York	6,736	6,622
	<u>£29,909</u>	<u>£34,080</u>

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