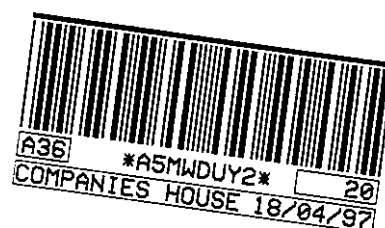


REGISTRAR
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MASSEY FARMERS (GARTON) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR TO 30 JUNE 1996

Bradbury & Co.



ACCOUNTANTS' REPORT

UNDER SECTION 249A(2) OF THE COMPANIES ACT 1985

TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS

OF MASSEY FARMERS (GARTON) LIMITED

We report on the accounts for the year ended 30 June 1996 set out on pages 3 to 10.

Respective responsibilities of directors and reporting accountant

As described on page 4 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records;
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Bradbury & Co.

Bradbury & Co
Reporting Accountants
Driffield

8 April 1997

MASSEY FARMERS (GARTON) LIMITED

BALANCE SHEET

AS AT 30 JUNE 1996

	Note	1996 £	1995 £
FIXED ASSETS			
Tangible assets	2	192,293	176,904
Investments	2	201,249	151,249
		<hr/>	<hr/>
		393,542	328,153
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks		63,996	78,756
Debtors		33,659	19,724
Cash at bank		263,172	213,572
		<hr/>	<hr/>
		360,827	312,052
CREDITORS - amounts falling due within one year		<hr/>	<hr/>
		(79,020)	(57,609)
		<hr/>	<hr/>
NET CURRENT ASSETS		281,807	254,443
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES PROVISIONS FOR LIABILITIES AND CHARGES		675,349	582,596
		(3,900)	(500)
		<hr/>	<hr/>
		£671,449	£582,096
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	3	10,000	10,000
Profit and loss account		661,449	572,096
		<hr/>	<hr/>
		£671,449	£582,096
		<hr/>	<hr/>

The financial statements were approved by the Board of Directors on 7 February 1997.

For the year in question, the company was entitled to exemption from an audit under section 249A(2) of the Companies Act 1985. No notice has been deposited under section 249B(2) of the Act in relation to the accounts for the financial year. The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- preparing accounts which give a true and fair view of the state of affairs of the company, as at the end of the financial year, and of its profit or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

Advantage has been taken of the exemptions conferred by section A of Part III of Schedule 8 to the Companies Act 1985, on the grounds that, in the directors' opinion, the company qualifies as a small company under s246 and s247 of the Companies Act 1985.

Advantage has been taken, in the preparation of the accounts, of special exemptions applicable to small companies on the grounds that, in the directors' opinion, the company qualifies as a small company under s246 and s247 of the Companies Act 1985.

D. C. Massey D C Massey

C. D. Massey C D Massey

MASSEY FARMERS (GARTON) LIMITED

NOTES TO THE ACCOUNTS

YEAR TO 30 JUNE 1996

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost accounting convention and in accordance with applicable Accounting Standards.

(b) Turnover

Turnover is the total amount, excluding value added tax, receivable by the company for goods sold and services provided.

(c) Depreciation

The cost of tangible fixed assets is written off by equal instalments over their expected useful lives as follows:

	%
Tractors, combines, motors etc	20
Machinery and implements	15

Land and buildings are not depreciated. All properties are maintained to ensure that their value does not diminish over time. The maintenance costs are charged to the profit and loss account in the year in which they are incurred. In the directors' opinion, depreciation would be immaterial and has not been charged.

Animals in the suckler herd are not depreciated as they are capitalised at cost and retain this value for their expected useful life. The costs of keeping these animals are charged to the profit and loss account in the year in which they are incurred. In the directors' opinion, depreciation would be immaterial and has not been charged.

(d) Stocks

Stocks have been valued professionally in accordance with normal agricultural valuation principles and are stated at the lower of cost and net realisable value.

(e) Deferred taxation

Deferred taxation is provided only on those timing differences that, in the opinion of the directors, will give rise to a liability in the foreseeable future. The provision is calculated on the liability method at corporation tax rates ruling at the balance sheet date.

(f) Pension contributions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable. The assets of the scheme are held separately from those of the company in an independently administered fund.

MASSEY FARMERS (GARTON) LIMITED

NOTES TO THE ACCOUNTS (continued)

YEAR TO 30 JUNE 1996

1 ACCOUNTING POLICIES (continued)

(g) Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the primary lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

(h) Common agricultural policy

Amounts receivable under the E C arable area set-aside scheme are credited to the profit and loss account at the time of sale of the relevant crops to which the support relates.

(i) Investments

Other fixed asset investments are stated at cost less provision for any permanent diminution in value. For listed investments, market value is based on the closing middle market price on a recognised stock exchange.

2 FIXED ASSETS

	Tangible fixed assets £	Investments £	Total £
COST			
Brought forward	366,944	151,249	518,193
Additions	37,325	50,000	87,325
Disposals	(22,021)	-	(22,021)
	<hr/>	<hr/>	<hr/>
Carried forward	382,248	201,249	583,497
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
Brought forward	190,040	-	190,040
Charge	20,933	-	20,933
Disposals	(21,018)	-	(21,018)
	<hr/>	<hr/>	<hr/>
Carried forward	189,955	-	189,955
	<hr/>	<hr/>	<hr/>
NET BOOK VALUES			
Carried forward	£192,293	£201,249	£393,542
	<hr/>	<hr/>	<hr/>
Brought forward	£176,904	£151,249	£328,153
	<hr/>	<hr/>	<hr/>

MASSEY FARMERS (GARTON) LIMITED

NOTES TO THE ACCOUNTS (continued)

YEAR TO 30 JUNE 1996

3 CALLED UP SHARE CAPITAL

Authorised, allotted
called up
and fully paid

	1996	1995
10,000 ordinary shares of £1 each	£10,000	£10,000
	<hr/>	<hr/>

4 TRANSACTIONS WITH DIRECTORS

During the year, the company has paid rent on a commercial basis to D C Massey in respect of property owned by him over which the company has a tenancy.