

Company Registration Number: 1536502

DIRECTORS' REPORT AND ACCOUNTS
NORMANBY ESTATE HOLDINGS LIMITED
31 MARCH 2001



NORMANBY ESTATE HOLDINGS LIMITED

DIRECTORS' REPORT

Directors: Sir R.A.B. Sheffield Bt DL
Lady Sheffield

Secretary: Sir R.A.B. Sheffield Bt DL

Registered Office: Estate Office, Normanby, Scunthorpe,
North Lincolnshire

The directors present their report for the year ended 31 March 2001.

ACCOUNTS AND DIVIDENDS

The directors submit the audited accounts of the company for the year ended 31 March 2001. The profit for the year amounts to £364,117 and is dealt with as shown in the consolidated profit and loss account.

The directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

The company is a holding company whose principal activity consists of the provision of management services to each of its subsidiaries. The activities of the subsidiaries are set out in note 11. The directors are satisfied with the results for the year.

FUTURE DEVELOPMENTS

The directors hope for a further improvement in results in the coming year.

DIRECTORS

The directors of the company during the year ended 31 March 2001 were those listed above.

DIRECTORS' INTERESTS

According to the register maintained as required under the Companies Act 1985, the directors' interests in the share capital of the company are as follows:

	Ordinary shares	
	31 March 2001	1 April 2000
Sir R.A.B. Sheffield Bt DL	81688	81688
Lady Sheffield	-	-

The company has not entered into any arrangement whereby directors may obtain any benefit by the acquisition of shares or debentures of the company or any other body corporate.

NORMANBY ESTATE HOLDINGS LIMITED

DIRECTORS' REPORT (Continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Forrester Boyd will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

By order of the board

x  X

Sir R.A.B. Sheffield Bt DL

Secretary

21 June 2001

**REPORT OF THE AUDITORS TO THE MEMBERS OF
NORMANBY ESTATE HOLDINGS LIMITED**

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention, and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 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.

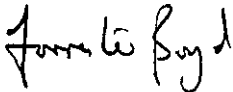
Basis of opinion

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 of the group as at 31 March 2001 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



FORRESTER BOYD
Chartered Accountants
Registered Auditors
74 Oswald Road
SCUNTHORPE

21 June 2001

NORMANBY ESTATE HOLDINGS LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2001

	Note	2001 £	2000 £
TURNOVER	2	250,638	208,077
Administration expenses		260,512	334,001
Operating loss	4	(9,874)	(125,924)
Other Income	6	431,290	14,985
		<u>421,416</u>	<u>(110,939)</u>
Interest payable and similar charges		16,584	24,934
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		404,832	(135,873)
Tax on profit/(loss) on ordinary activities	7	40,715	(352)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		364,117	(135,521)
Dividends	9	-	50,000
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>£364,117</u>	<u>£(185,521)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the year.

NORMANBY ESTATE HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET

31 MARCH 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	10	2,180,123	2,433,445
CURRENT ASSETS			
Stocks	12	14,000	14,000
Investments	13	851,540	667,884
Debtors	14	116,717	118,635
Cash at bank and in hand		621,905	495,335
Taxation		66,642	74,245
		<u>1,670,804</u>	<u>1,370,099</u>
CREDITORS			
Amounts falling due within one year			
Bank loan	15	-	338,700
Trade and other creditors	16	96,951	74,985
		<u>96,951</u>	<u>413,685</u>
NET CURRENT ASSETS		<u>1,573,853</u>	<u>956,414</u>
TOTAL ASSETS LESS LIABILITIES		<u>3,753,976</u>	<u>3,389,859</u>
CAPITAL AND RESERVES			
Called up share capital	18	163,548	163,548
Share premium account		232,817	232,817
Revaluation reserve	19	1,192,934	1,310,934
Reserves	20	2,164,677	1,682,560
		<u>£3,753,976</u>	<u>£3,389,859</u>

R. A. B. Sheffield

Sir R.A.B. Sheffield Bt DL

V. A. Sheffield
Lady Sheffield

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) Directors
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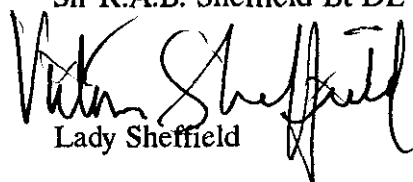
21 June 2001

NORMANBY ESTATE HOLDINGS LIMITED

BALANCE SHEET

31 MARCH 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	10	49,865	59,591
Investments	11	1,067,725	1,067,725
		<u>1,117,590</u>	<u>1,127,316</u>
CURRENT ASSETS			
Amounts owed by subsidiary undertakings		662,446	392,434
Debtors	14	64,063	65,203
Bank balances		621,905	495,335
Taxation		29,864	34,267
		<u>1,378,278</u>	<u>987,239</u>
CREDITORS - amounts falling due within one year			
Amounts owed to subsidiary undertakings		394,833	297,207
Trade and other creditors	16	37,891	37,326
		<u>432,724</u>	<u>334,533</u>
NET CURRENT ASSETS		<u>945,554</u>	<u>652,706</u>
		<u>£2,063,144</u>	<u>£1,780,022</u>
CAPITAL AND RESERVES			
Called up share capital	18	163,548	163,548
Share premium account		232,817	232,817
Reserves	20	1,666,779	1,383,657
		<u>£2,063,144</u>	<u>£1,780,022</u>


 Sir R.A.B. Sheffield Bt DL)

 Lady Sheffield) Directors

21 June 2001

NORMANBY ESTATE HOLDINGS LIMITED

**NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2001**

Note

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

(a) Accounting Convention

The accounts are prepared under the historical cost convention modified by the revaluation of freehold property and the revaluation of the investments in subsidiaries.

The accounts are prepared in accordance with applicable accounting standards.

(b) Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company and the group qualify as small.

(c) Basis of Consolidation

The consolidated accounts incorporate the accounts of the company and each of its subsidiaries for the year ended 31 March 2001.

(d) Depreciation and amortisation

Freehold land is not depreciated.

Those buildings with an estimated useful life of less than 20 years have been depreciated over that life. Other freehold property is not depreciated as, in the opinion of the directors, a depreciation charge based on estimated useful lives and residual value would be immaterial in the context of these accounts.

Mineral rights:

Mineral rights have been amortised on the basis of royalties received.

Plant and motor vehicles:

Plant and motor vehicles are written off by equal instalments over their expected lives as follows:

Plant and equipment	4 - 12 years
Motor vehicles	5 years

(e) Deferred taxation

Provision is made for deferred taxation, using the liability method, on short term timing differences and all other material timing differences which are not expected to continue in the future.

NORMANBY ESTATE HOLDINGS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

Note

2. TURNOVER

Turnover comprises the invoice value of sale, royalties and rents receivable of the group, exclusive of VAT and inter-group transactions.

3. ANALYSIS OF TURNOVER AND LOSS BETWEEN ACTIVITIES

The amount of group turnover and the extent of the profit on ordinary activities before taxation attributable to each of the classes of activity of the group are as follows:

	Turnover		Profit/(loss) on ordinary activities before taxation	
	2001 £	2000 £	2001 £	2000 £
Estate management and investments	241,540	199,096	397,865	(138,378)
Stud fees	7,500	7,500	6,984	4,180
Leasing	1,598	1,481	(17)	(1,675)
	<u>250,638</u>	<u>208,077</u>	<u>404,832</u>	<u>(135,873)</u>

4. GROUP OPERATING LOSS is stated after charging:

	2001 £	2000 £
Auditors' remuneration (including £5,000 in respect of the company)	13,000	13,000
Emoluments of directors of the company	65,875	65,238
Depreciation	<u>14,663</u>	<u>18,857</u>

5. STAFF NUMBERS

The average number of persons employed by the group including directors, during the year was as follows:

	2001	2000
Management	2	2
Administration	2	2
General estate maintenance	2	2
	<u>6</u>	<u>6</u>

NORMANBY ESTATE HOLDINGS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

Note

6. OTHER INCOME

	2001 £	2000 £
Profit on sale of freehold property	336,251	-
Profit on sale of investments	69,149	-
Bank and short term interest	25,890	14,985
	<hr/> £431,290	<hr/> £14,985

7. TAXATION

The charge based on the profit for the year comprises:

	2001 £	2000 £
UK Corporation tax payable	40,212	-
Tax credit on UK dividends received	503	518
Adjustment relating to prior year	-	(870)
	<hr/> £40,715	<hr/> £(352)

UK Corporation tax has been charged at 20%.

8. PROFIT FOR THE FINANCIAL YEAR

As permitted by the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these accounts.

9. DIVIDENDS

	2001 £	2000 £
2001 Ordinary	<hr/> -	<hr/> 50,000

NORMANBY ESTATE HOLDINGS LIMITED

**NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2001**

Note

10. TANGIBLE FIXED ASSETS

	Freehold property £	Mineral rights £	Plant and motor vehicles £	Total £
GROUP				
Cost or valuation				
At 31 March 2000	2,384,509	120,066	137,980	2,642,555
Additions during year	6,000	-	4,091	10,091
Disposals	(248,750)	(120,066)	-	(368,816)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2001	2,141,759	-	142,071	2,283,830
	<hr/>	<hr/>	<hr/>	<hr/>
Comprising:				
1981 revaluation	1,740,557	-	-	1,740,557
Cost	401,202	-	142,071	543,273
	<hr/>	<hr/>	<hr/>	<hr/>
	2,141,759	-	142,071	2,283,830
	<hr/>	<hr/>	<hr/>	<hr/>
 Depreciation and amortisation				
At 31 March 2000	11,068	120,066	77,976	209,110
Charge for year	436	-	14,227	14,663
Relating to disposals	-	(120,066)	-	(120,066)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2001	11,504	-	92,203	103,707
	<hr/>	<hr/>	<hr/>	<hr/>
Net book amounts:				
At 31 March 2001	2,130,255	-	49,868	2,180,123
	<hr/>	<hr/>	<hr/>	<hr/>
Net book amounts:				
At 31 March 2000	2,373,441	-	60,004	2,433,445
	<hr/>	<hr/>	<hr/>	<hr/>

NORMANBY ESTATE HOLDINGS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

Note

10. TANGIBLE FIXED ASSETS (continued)

	Equipment and motor vehicles £
COMPANY	
Cost	
At 31 March 2000	122,177
Additions during year	4,091
	<hr/>
At 31 March 2001	126,268
	<hr/>
Depreciation	
At 31 March 2000	62,586
Charge for year	13,817
	<hr/>
At 31 March 2001	76,403
	<hr/>
Net book amounts at 31 March 2001	£49,865
	<hr/>
Net book amounts at 31 March 2000	£59,591
	<hr/>

11. INVESTMENTS

	2001 £	2000 £
Subsidiary undertakings	£1,067,725	£1,067,725
	<hr/>	<hr/>

Subsidiary undertakings (all 100% owned) at 31 March 2001 were:

The Normanby Estate Company Limited	Estate Management
Norinco Limited	Receiving rents, royalties, investments, income and wayleaves from land and mineral deposits
Normanby Stud Limited	Breeding and selling of horses
Normanby Estate Leasing Limited	Purchase and leasing of plant and equipment and loan finance
The Coleby Ironstone Company Limited	Dormant

NORMANBY ESTATE HOLDINGS LIMITED

**NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2001**

Note

12. STOCKS AND WORK IN PROGRESS

	2001	Group	2000
	£		£
Horses	£14,000		£14,000

The replacement cost of stocks does not significantly differ from the balance sheet value.

13. INVESTMENTS

	2001	Group	2000
	£		£
Listed - Cost	789,053		605,397
Unlisted - Cost	62,487		62,487
	<u>£851,540</u>		<u>£667,884</u>

Market value of listed investments at 31 March 2001 - £790,625 (2000 - £708,501).

In the opinion of the directors the market value of the unlisted investments is not less than cost.

14. DEBTORS

	2001	Group	2001	Company
	£	2000	£	2000
		£		£
Trade debtors	106,088	107,336	57,250	58,500
Taxation recoverable	1,334	4,144	1,280	1,820
Prepayments and accrued income	9,295	7,155	5,533	4,883
	<u>£116,717</u>	<u>£118,635</u>	<u>£64,063</u>	<u>£65,203</u>

NORMANBY ESTATE HOLDINGS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

Note

15. BANK LOAN

The bank loan is secured by a legal charge over certain company land.

16. TRADE AND OTHER CREDITORS

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Trade creditors	17,437	29,679	9,241	10,531
Taxation and social security	28,350	36,108	28,350	26,383
Accruals and deferred income	10,952	9,198	300	412
Corporation tax	40,212	-	-	-
	<u>£96,951</u>	<u>£74,985</u>	<u>£37,891</u>	<u>£37,326</u>

17. DEFERRED TAXATION

Potential tax liabilities which are not expected to crystallise in the future exist in respect of:

	Group	
	2001	2000
Valuation of freehold property	<u>£357,000</u>	<u>£393,000</u>

18. CALLED UP SHARE CAPITAL

	Authorised
Ordinary shares of £1 each	<u>1,100,000</u>
	Allotted, called-up and fully paid
At 31 March 2001 and 2000	<u>163,548</u>

NORMANBY ESTATE HOLDINGS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

Note

19. REVALUATION RESERVE

	2001 £	2000 £
Arising on revaluation of freehold property		
Brought forward	1,310,934	1,310,934
Transfer to profit and loss account	(118,000)	-
	<hr/>	<hr/>
Carried forward	£1,192,934	£1,310,934
	<hr/>	<hr/>

20. RESERVES

	Group £	Company £
At 31 March 2000	1,682,560	1,383,657
Profit in year	364,117	283,122
Transfer from revaluation reserve	118,000	-
	<hr/>	<hr/>
At 31 March 2001	£2,164,677	£1,666,779
	<hr/>	<hr/>

21. FINANCIAL COMMITMENTS

No future capital expenditure has either been authorised by the directors or contracted for at 31 March 2001 (2000 - £NIL).

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit/(loss) for the financial year	364,117	(135,521)
Dividend	-	50,000
	<hr/>	<hr/>
NET INCREASE/(DECREASE) IN SHAREHOLDERS' FUNDS	364,117	(185,521)
Opening shareholders' funds	3,389,859	3,575,380
	<hr/>	<hr/>
CLOSING SHAREHOLDERS' FUNDS	£3,753,976	£3,389,859
	<hr/>	<hr/>