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Registered Number
4519023
England

Home Farm Pytchley Limited

Pytchley

Financial Statements
for the year ended 30 September 2006



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Home Farm Pytchley Limited

Financial statements
for the year ended 30 September 2006

Company Registration Number

4519023

Registered Office

The Chapel
High Street
Pytchley
Kettering
Northants
NN14 1EN

Directors

GA Glover (Chairman)
Lady JA Spooner
Dr GCP Rayner
AGJ Spooner
DS Brown
MBP Walker (Managing Director)

Secretary

D S Brown

Bankers

HSBC bank plc
9 High Street
Kettering
Northants
NN16 8ST

Accountants

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Home Farm Pytchley Limited

Financial statements
for the year ended 30 September 2006

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Report of the Directors

The directors have pleasure in presenting their report and financial statements for the year ended 30 September 2006

1 Principal activities and significant changes

The principal activity of the company throughout the year was that of mixed farming, on 1,165 acres principally owned by the trustees of the The Pytchley Estate Trust 1996 and Pytchley House Estate Ltd

No significant changes were reported in the accounts for the year

2 Directors and their interests

The directors who served the company throughout the year together with their interests (including family interests) in shares of the company, at the beginning and end of the year, were as follows

2006 and 2005

GA Glover	-
Lady JA Spooner	-
Dr GCP Rayner	-
AGJ Spooner	-
DS Brown	-
MBP Walker	-

All the Directors with the exception of AGJ Spooner are Directors' of Pytchley House Estate Ltd, which holds 25 shares in the Company GA Glover and Lady JA Spooner as the Trustees of the The Pytchley Estate Trust 1996, hold 75 shares

3 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,
- state whether the Financial Reporting Standard for Smaller Entities has been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

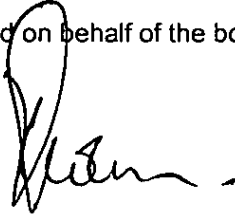
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Report of the Directors (cont.)

4 Small companies exemptions

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

Signed on behalf of the board of directors

A handwritten signature in black ink, appearing to read 'D S Brown', with a small horizontal line at the end.

D S Brown
Director

Approved by the board 19 February 2007

**Chartered Accountants' Report to the board of directors on the
Unaudited Accounts of Home Farm Pytchley Limited**

for the year ended 30 September 2006

In order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the accounts of the company which comprises the profit and loss account, balance sheet and the related notes from the accounting records and information and explanations you have given us

This report is made to the Company's Board of Directors as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the accounts that we have been engaged to compile, report to the Company's Board of Directors that we have done so and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, as a body, for our work or for this report

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of accounts

You have acknowledged on the balance sheet as at 30 September 2006 your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from statutory requirements for an audit for the year

We have not been instructed to carry out an audit of the accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information or explanations you have given to us and we do not, therefore, express any opinion on the accounts



MWM
Accountants
Wellingborough

19 February 2007

Home Farm Pytchley Limited

Profit and loss account
for the year ended 30 September 2006

	<u>Notes</u>	<u>2006</u> £	<u>2005</u> £
Turnover	2	234,237	282,194
Cost of sales		293,488	313,439
Gross loss		(59,251)	(31,245)
Other operating income and charges		148,125	118,690
Administration expenses		(18,136)	(12,647)
Operating profit	3	70,738	74,798
Other interest receivable and similar income	5	1,310	1,834
Interest payable and similar charges	6	(4,088)	(1,877)
Profit on ordinary activities before taxation		67,960	74,755
Taxation	7	15,531	16,114
Profit on ordinary activities after taxation		52,429	58,641
Dividends paid and proposed		-	8,000
Retained profit for the financial year	17	£ 52,429	£ 50,641
Retained profit at 1 October 2005		115,676	65 035
Retained profit at 30 September 2006		£ 168,105	£ 115,676

The notes on pages 6 to 12 form part of these financial statements

Home Farm Pytchley Limited

Balance sheet as at 30 September 2006

	Note	2006 £	2005 £
Fixed assets			
Intangible assets - quotas	8	8,000	12,000
Tangible assets - property	9	38,652	40,938
Tangible assets - equipment	10	135,959	148,668
		182,611	201,606
Current assets			
Stocks	11	228,437	184,806
Debtors	12	147,304	113,972
Cash at bank and in hand		22,371	57,108
		398,112	355,886
Creditors: amounts falling due within one year	13	88,731	58,139
Net current assets		309,381	297,747
Total assets less current liabilities		491,992	499,353
Creditors: amounts falling due after more than one year	14	300,000	360,000
Provision for liabilities and charges	15	23,787	23,577
		323,787	383,577
Net assets		£ 168,205	£ 115,776
Capital and reserves			
Called up share capital	16	100	100
Profit and loss account	17	168,105	115,676
		£ 168,205	£ 115,776

In approving these financial statements as directors of the company we hereby confirm that

a) for the year in question the company was entitled to exemption under section 249A(1) of the Companies Act 1985,

b) members have not required the company, under section 249B(2), to obtain an audit for the year ended 30 September 2006, and

c) we acknowledge our responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for 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 then ended in accordance with the requirements of section 226, and which otherwise comply with the provisions of the Companies Act relating to accounts, so far as applicable to the company

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985

The financial statements were approved by the board on 19 February 2007 and signed on its behalf



M B P Walker
Director

The notes on pages 6 to 12 form part of these financial statements

1 Accounting policies

Accounting basis and standards

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

Single farm payment

90% of the 2006 single farm payment has been taken as a debtor at 30 September 2006. Although this does not conform with Statement of Accounting Practice No 4 regarding Government Grants, the directors consider that it is the method most appropriate to the company.

Depreciation

Fixed assets are shown at historical cost.

Depreciation of fixed assets is calculated by the reducing balance method, except for the freehold buildings which are written down in equal instalments, to write off their cost or valuation less any residual value over their estimated useful lives. The rates applicable are

	%
Freehold buildings	5
Workshop	10
Equipment	20
Tractors	20
Combines	17.5
Motor vehicles	25
Computers	50

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less the cost of disposal.

Leasing and hire purchase contracts

Assets obtained under finance leases and hire purchase contracts are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

Home Farm Pytchley Limited

Notes to the financial statements (cont.) the year ended 30 September 2006

2. Turnover

Turnover is attributable to the one principal activity of the company which arose wholly in the United Kingdom

3. Operating profit

The operating profit is stated after charging

	<u>2006</u> £	<u>2005</u> £
Operating profit is stated after charging		
Hire of machinery - operating leases	<u>102</u>	<u>1,954</u>
Depreciation		
Intangible assets - quotas	4,000	4,400
Owned tangible fixed assets	32,521	35,064
Assets held under finance leases and hire-purchase contracts	<u>2,560</u>	<u>3,200</u>
	<u>39,081</u>	<u>42,664</u>
and after crediting		
Profit/(Loss) on disposal of tangible assets	<u>386</u>	<u>(1,785)</u>

4. Directors' emoluments

	<u>2006</u> £	<u>2005</u> £
Aggregate emoluments including benefits in kind	30,125	38,055
Company payments to money purchase pension schemes	4,665	4,068
	<u>£ 34,790</u>	<u>£ 42,123</u>

5. Interest receivable and similar income

	<u>2006</u> £	<u>2005</u> £
Deposit account interest	<u>£ 1,310</u>	<u>£ 1,834</u>

Home Farm Pytchley Limited

Notes to the financial statements (cont.) the year ended 30 September 2006

6. Interest payable and similar charges

	<u>2006</u> £	<u>2005</u> £
Bank loans and overdrafts	4	171
Other loans	3,025	274
Finance leases and hire-purchase contracts	1,059	1,432
	<u>£ 4,088</u>	<u>£ 1,877</u>

7. Taxation

	<u>2006</u> £	<u>2005</u> £
Corporation tax charge	15,321	-
Deferred tax	210	19,089
	<u>15,531</u>	<u>19,089</u>
Adjustment of current taxation in respect of prior years	-	2,975
	<u>£ 15,531</u>	<u>£ 16,114</u>

8. Intangible fixed assets

	<u>Quotas</u> £
<u>Cost</u>	
At 1 October 2005 and at 30 September 2006	20,400
<u>Amortisation</u>	
At 1 October 2005	8,400
Charge for the year	4,000
	<u>12,400</u>
At 30 September 2006	
<u>Net book value</u>	
<u>At 30 September 2006</u>	<u>£ 8,000</u>
<u>Net book value</u>	
<u>At 30 September 2005</u>	<u>£ 12,000</u>

Notes to the financial statements (cont.)
the year ended 30 September 2006

9 Tangible fixed assets - property

	<u>Freehold buildings</u> £	<u>Workshop</u> £	<u>Total</u> £
Cost			
At 1 October 2005 and at 30 September 2006	46,050	2,430	48,480
Depreciation			
At 1 October 2005	6,883	659	7,542
Provision for the year	2,109	177	2,286
At 30 September 2006	8,992	836	9,828
Net book amounts			
At 30 September 2006	£ 37,058	£ 1,594	£ 38,652
Net book amounts			
At 30 September 2005	£ 39,167	£ 1,771	£ 40,938

10 Fixed assets - equipment

	<u>Plant and machinery</u> £	<u>Tractors</u> £	<u>Combines</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
Cost					
At 1 October 2005	93,128	63,053	67,000	19,261	242,442
Additions	3,220	17,700	-	1,000	21,920
Disposals	(3,582)	-	-	-	(3,582)
At 30 September 2006	92,766	80,753	67,000	20,261	260,780
Depreciation					
At 1 October 2005	42,113	28,799	11,725	11,137	93,774
Provision for the year	10,482	10,391	9,673	2,249	32,795
Disposals	(1,748)	-	-	-	(1,748)
At 30 September 2006	50,847	39,190	21,398	13,386	124,821
Net book amounts					
At 30 September 2006	£ 41,919	£ 41,563	£ 45,602	£ 6,875	£ 135,959
Net book amounts					
At 30 September 2005	£ 51,015	£ 34,254	£ 55,275	£ 8,124	£ 148,668

Hire Purchase Assets

Included in fixed assets are assets held under finance leases or hire purchase contracts of net book amount £10,240 (2005 £12,800)

Notes to the financial statements (cont.)
for the year ended 30 September 2006

11. Stock

	<u>2006</u> £	<u>2005</u> £
Livestock	44,981	33,450
Produce	144,585	114,499
Seeds, fertilisers and sprays	19,251	17,277
Goods in store	1,600	300
Hay, straw and silage	4,500	5,000
Tillages	13,520	14,280
	<u>£ 228,437</u>	<u>£ 184,806</u>

12. Debtors

	<u>2006</u> £	<u>2005</u> £
Amounts falling due within one year		
Trade debtors	20,484	13,824
Other debtors	10,217	6,751
Government grants - RPA	116,603	93,397
	<u>£ 147,304</u>	<u>£ 113,972</u>

13 Creditors - amounts falling due within one year

	<u>2006</u> £	<u>2005</u> £
Obligations under finance leases and hire purchase contracts	5,698	10,337
Trade creditors	63,700	15,078
Corporation tax	15,321	-
Other taxation and social security	2,067	4,726
Other creditors	1,945	27,998
	<u>£ 88,731</u>	<u>£ 58,139</u>

Bank loans and overdrafts are secured by a charge on the assets of the company Hire purchase agreements are secured on the assets to which they relate

Home Farm Pytchley Limited

Notes to the financial statements (cont.)
for the year ended 30 September 2006

14. Creditors - amounts falling due after one year

	<u>2006</u> £	<u>2005</u> £
Being shareholder's Loans		
Pytchley House Estate Ltd	75,000	90,000
The Pytchley Estate Trust 1996	225,000	270,000
	<u>£ 300,000</u>	<u>£ 360,000</u>

15. Provisions for liabilities and charges

	<u>2006</u> £	<u>2005</u> £
Deferred taxation		
At 1 October 2005	23,577	4,488
Provision	210	19,089
At 30 September 2006	<u>£ 23,787</u>	<u>£ 23,577</u>

16 Share capital

	<u>2006</u> £	<u>2005</u> £
Authorised		
100 Ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>
Called-up, allotted and fully paid		
100 Ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>

17. Reserves

	<u>Profit and loss account</u> £
At 1 October 2005	115,676
Profit for the year	52,429
At 30 September 2006	<u>£ 168,105</u>

18. Capital commitments

The company had no capital commitments at 1 October 2005 or 30 September 2006

Notes to the financial statements (cont.)
for the year ended 30 September 2006

19. Contingent liabilities

There were no contingent liabilities at 1 October 2005 or 30 September 2006

20. Lease commitments

The company has entered into annual commitments in respect of operating leases commencing after the balance sheet date amounting to £21,687 (2005 - £14,587)

21 Transactions with directors

During the year the company engaged in transactions with Pytchley House Estate Ltd and The Pytchley Estate Trust 1996 who are related parties by virtue of having common directorships and trustees. Transactions were also with Dr GCP Rayner and Lady JA Spooner who are related parties by virtue of being directors of the company

Transaction

	<u>2006</u>	<u>2005</u>
	£	£
Pytchley House Estate Ltd	15,000	
The Pytchley Estate Trust 1996	45,000	873
Lady JA Spooner	5,095	3,761
GA Glover	14,242	9,953

Included within other creditors are,

	<u>2006</u>	<u>2005</u>
	£	£
Pytchley House Estate Ltd	75,000	90,000
The Pytchley Estate Trust 1996	225,000	270,000
Lady JA Spooner	1,052	629
GA Glover	7,513	2,163

22. Controlling related parties

The company is under the control of the Trustees of The Pytchley Estate Trust 1996