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CASTLE HOWARD ESTATE LIMITED

REPORT AND ACCOUNTS
1992

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CASTLE HOWARD ESTATE LIMITED**DIRECTORS**

The Hon. S. B. G. Howard (Chairman)
The Hon. N. P. G. Howard
The Hon. A. M. G. Howard

SECRETARY

T. C. Adams

AUDITORS

Barron & Barron,
Chartered Accountants,
Bathurst House,
86 Micklegate,
York.
YOL 2HN.

BANKERS

Coutts & Co.,
440 Strand,
London.

SOLICITORS

Bischoff & Co.,
London.

Denison Till,
York.

REGISTERED OFFICE

The Estate Office,
Castle Howard,
York.

COMPANY NUMBER

480214

CASTLE HOWARD ESTATE LIMITED

DIRECTORS' REPORT

The Directors submit their Report and Accounts for the period ended 31st January, 1992.

PRINCIPAL ACTIVITIES

The activities of the Company are those of an Estate Company carrying on activities related to land ownership.

RESULTS AND DIVIDENDS

The profit on activities for the period amounted to £1,207,692 before net expenditure on property of £112,404, leaving profits of £1,095,288 to be deducted from accumulated losses brought forward. Accumulated losses carried forward at 31st January, 1992 are £1,405,195. The Directors do not recommend the payment of a dividend.

MARKET VALUE OF LAND AND BUILDINGS

In the opinion of the Directors, the value of the freehold property is in excess of any liabilities that the Company has incurred. However, in the absence of a professional valuation an accurate figure cannot be expressed.

FIXED ASSETS

The changes in Fixed Assets during the period are summarised in the Notes to the Accounts.

DIRECTORS AND THEIR INTERESTS

The Directors in office throughout the period and their beneficial and trustee interest in the shares of the company were as follows:

AT 5TH APRIL, 1991 AND 31ST JANUARY, 1992

	ORDINARY SHARES OF £1 EACH	7.5% NON-CUMULATIVE PREFERENCE SHARES OF £1 EACH
As Trustees -		
The Hon. N. P. G. Howard	10,000	
The Hon. S. B. G. Howard	10,000	
The Hon. A. M. G. Howard	10,000	
As Beneficiaries under a Settlement -		
The Hon. N. P. G. Howard		22,000
The Hon. S. B. G. Howard		30,000
The Hon. A. M. G. Howard		22,000

CASTLE HOWARD ESTATE LIMITED

DIRECTORS' REPORT CONTINUED

AUDITORS

A resolution to re-appoint Barron & Barron, Chartered Accountants, as Auditors will be put to the members at the Annual General Meeting.

APPROVAL OF ACCOUNTS

A resolution to approve the Accounts was passed at a meeting of the Directors held on 29th September 1992.

By Order of the Board

T. C. ADAMS

Secretary

1st October 1992

REPORT OF THE AUDITORS
TO THE MEMBERS OF CASTLE HOWARD ESTATE LIMITED

We have audited the Financial Statements on pages 5 to 13 inclusive in accordance with Auditing Standards.

As stated in Note 8a. the cost or valuation of Land and Buildings has not been shown in the Balance Sheet in accordance with Schedule 9(5) Companies Act 1985. At this time it is not practical to determine with reasonable accuracy the cost or value of the properties retained.

Subject to the foregoing, in our opinion the Financial Statements, which have been prepared under the historical cost convention, give a true view of the state of the affairs of the Company as at 31st January, 1992 and of the profit and Source and Application of Funds of the Company for the period then ended and except for the valuation of Land and Buildings referred to above, comply with the Companies Act 1985.

BARRON & BARRON

Chartered Accountants
and Registered Auditor

1st October 1992



CASTLE HOWARD ESTATE LIMITED

PROFIT AND LOSS ACCOUNT
31st January 1992

	NOTE	1992	1991
TURNOVER	2	2,903,251	3,245,121
Cost of Sales		2,612,224	2,933,396
GROSS PROFIT		<u>291,027</u>	<u>311,725</u>
Administrative Expenses		247,847	297,678
		<u>43,180</u>	<u>14,047</u>
Other Operating Income	3	104,628	48,286
OPERATING PROFIT		<u>147,808</u>	<u>62,333</u>
Exceptional item	5	1,137,048	-
		<u>1,284,856</u>	<u>62,333</u>
Interest Payable	6	77,164	76,020
		<u>1,207,692</u>	<u>(13,687)</u>
Taxation	7	-	-
		<u>1,207,692</u>	<u>(13,687)</u>
Net Proceeds (Expenditure) on Freehold Property	8	(112,404)	(393,430)
		<u>1,095,288</u>	<u>(407,117)</u>
Accumulated Losses brought forward		(2,500,483)	(2,093,366)
Accumulated Losses carried forward		<u><u>£(1,405,195)</u></u>	<u><u>£(2,500,483)</u></u>

The Notes on pages 8 to 13 form part of these Accounts.

CASTLE HOWARD ESTATE LIMITED

BALANCE SHEET

31st January 1992

	NOTE	1992	1991
FIXED ASSETS			
Tangible Assets	9		
Land and Buildings		1	1
Plant and Machinery		305,688	307,578
Exhibits		493,663	514,513
Cattle Herd		47,185	46,445
Plant acquired under finance leases		86,618	62,417
		<u>933,155</u>	<u>930,954</u>
Investments	10	19,179	17,645
		<u>952,334</u>	<u>948,599</u>
CURRENT ASSETS			
Stocks	11	474,601	534,741
Debtors	12	1,546,972	235,861
Cash at Bank		340,000	-
Cash in Hand		3,482	23,047
		<u>2,365,055</u>	<u>793,649</u>
CREDITORS Amounts falling due within one Year	13	1,240,043	1,096,511
NET CURRENT ASSETS(LIABILITIES)		<u>1,125,012</u>	<u>(302,862)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,077,346</u>	<u>645,737</u>
CREDITORS Amounts falling due after more than one Year			
Loans	14	2,944,441	2,608,120
		<u>£ (867,095)</u>	<u>£(1,962,383)</u>
CAPITAL AND RESERVES			
Called Up Share Capital	15	90,000	90,000
Share Premium Account		448,100	448,100
Profit and Loss Account		(1,405,195)	(2,500,483)
		<u>£ (867,095)</u>	<u>£(1,962,383)</u>
A. M. G. HOWARD)	Directors		
S. B. G. HOWARD)			

The Notes on pages 8 to 13 form part of these Accounts.

CASTLE HOWARD ESTATE LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
31st January 1992

	1992	1991
SOURCE OF FUNDS		
Operating Profit	147,808	62,333
Sale of contents	1,239,986	-
Interest payable	(77,164)	(76,020)
Adjustment for items not involved in the Movement of Funds		
Depreciation	117,875	106,109
Loss(Profit) on Sale of Tangible Fixed Assets	(8,978)	6,127
FUNDS GENERATED FROM OPERATIONS	1,419,527	98,549
FUNDS FROM OTHER SOURCES		
Sales of Freehold Property and Grants	65,406	500
Sales of Other Tangible Fixed Assets	40,378	21,799
Loan	400,000	-
Advanced under Finance Leases	24,201	62,417
	<u>529,985</u>	<u>84,716</u>
TOTAL INFLOW	1,949,512	183,265
APPLICATION OF FUNDS		
Freehold Property Acquisitions, Alterations and Improvements less Grants	177,810	393,930
Purchases of Other Tangible Fixed Assets	172,326	290,822
Increase in Trade Investments	1,534	2,434
Reduction in Loans	68,255	85,577
	<u>419,925</u>	<u>772,763</u>
INCREASE/(DECREASE) IN WORKING CAPITAL	£1,529,587	£(589,498)
COMPONENTS OF INCREASE/(DECREASE) IN WORKING CAPITAL		
Livestock and Growing Crops	(32,598)	(15,683)
Stocks	(27,542)	31,723
Debtors	1,311,111	(70,942)
Creditors	219,770	(132,364)
	<u>1,470,741</u>	<u>(187,266)</u>
MOVEMENT IN LIQUID FUNDS		
Cash Balances	(19,565)	6,087
Bank Balances	78,411	(408,319)
	<u>58,846</u>	<u>(402,232)</u>
	<u>£1,529,587</u>	<u>£(589,498)</u>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention modified to include freehold property at nominal value of £1.00 and motor vehicles and plant and machinery on hand at 6th April 1981 at the written down value at that date.

DEPRECIATION

No depreciation has been provided on freehold property, costume gallery exhibits, castle opening exhibits or cattle herd as in the opinion of the Directors this would not be significant in comparison with their residual values.

All other tangible fixed assets are depreciated to write off the cost or valuation evenly over their expected useful lives as follows:-

Motor vehicles	4 years
Plant and machinery	5 years
Other assets	20 years
Leased assets	over the term of primary lease

GOVERNMENT GRANTS

Government grants on capital expenditure have been deducted from the cost of the relevant asset.

Grants of a revenue nature are credited to income in the period to which they relate.

STOCKS

All stocks are stated at the lower of cost or net realisable value.

2. TURNOVER

Turnover represents the amount of fees received and goods and produce sold (stated net of value added tax). The turnover and pre-tax profit is attributable to the following activities.

	1992	1991	1992	1991
	TURNOVER		PRE-TAX PROFIT	(LOSS)
Castle opening including filming and facility fees	1,511,212	1,582,390	80,176	46,486
Farm	985,954	1,170,323	170,319	233,097
Caravan site	106,140	117,892	50,731	71,040
Woodlands	44,571	34,495	(16,768)	(23,277)
Plant centre	255,374	340,021	6,569	(15,621)
	<u>2,903,251</u>	<u>3,245,121</u>	<u>291,027</u>	<u>311,725</u>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

	1992	1991
3. OTHER OPERATING INCOME		
Rental income less outgoings	<u>£104,628</u>	<u>£ 48,286</u>
4. OPERATING PROFIT		
a. This is stated after charging		
Directors remuneration		
(see below)	14,042	23,202
Auditors' remuneration	22,935	9,000
Depreciation	84,268	84,140
Depreciation of assets held		
under finance leases	33,607	21,969
Loss(Profit) on sale of		
fixed assets	(8,978)	6,127
Hire of plant and machinery	<u>10,308</u>	<u>13,744</u>
b. Directors remuneration		
Fees	-	-
Other emoluments (including		
pension contributions)	14,042	23,202
	<u>£ 14,042</u>	<u>£ 23,202</u>

The emoluments of the Chairman was £4,553 (1991: £6,730) and the highest paid Director £6,322, excluding pension contributions. Other Directors emoluments, excluding pension contributions fell within the following ranges:

	1992	1991
£ Nil - £ 5,000	1	1
c. Staff costs during the period amounted to		
Wages and salaries	808,553	847,134
Social Security costs	61,929	68,042
Other pension costs	35,012	34,501
	<u>£ 905,494</u>	<u>£ 949,677</u>

The average weekly number of employees, excluding Directors, retained by the company throughout the period was 184(1991: 170), including 115 (1991: 120) part-time employees.

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

	1992	1991
5. EXCEPTIONAL ITEM		
Profit on sale of contents	1,219,136	-
Tax	82,088	-
	<u>£1,137,048</u>	<u>£ -</u>
6. INTEREST PAYABLE		
Interest received	(6,155)	-
Bank overdraft	27,149	17,787
Other loans wholly repayable within five years	26,328	18,106
Other loans not wholly repayable within five years	22,871	35,191
Finance charges in respect of finance leases	6,971	4,936
	<u>£77,164</u>	<u>£76,020</u>
7. TAXATION		
Based on the result for the period:	1992	1991
Corporation Tax	-	-
8. PROFITS ON REALISATION OF FREEHOLD PROPERTY		
Net proceeds on Sales including compensation	65,406	500
Property improvements less grants	(177,810)	393,930
	<u>£(112,404)</u>	<u>£(393,430)</u>

The capital gains arising on the disposal of freehold properties are expected to be covered by losses on operations.

9. TANGIBLE FIXED ASSETS**a. LAND AND BUILDINGS**

The freehold properties are stated at nominal value £1.00 as in the opinion of the directors, the value of freehold property is in excess of any liabilities that company has incurred. No depreciation has been provided.

	1992	1991
Freehold Property		
Improvements and acquisitions		
less grants	177,810	393,930
Sales	65,406	500

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

	PLANT ACQUIRED UNDER FINANCE LEASES	PLANT AND MACHINERY	EXHIBITS	CATTLE HERD
9. TANGIBLE FIXED ASSETS				
b. COST OR VALUATION				
At 6th April 1991	84,386	815,270	514,513	46,445
Additions	57,808	113,778	-	740
Disposals	-	(71,975)	(20,850)	-
At 31st January 1992	<u>142,194</u>	<u>857,073</u>	<u>493,663</u>	<u>47,185</u>
DEPRECIATION				
At 6th April 1991	21,969	507,692	-	-
Provided during the period	33,607	84,268	-	-
Disposals	-	(40,575)	-	-
At 31st January 1992	<u>55,576</u>	<u>551,385</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE				
AT 31ST JANUARY 1992	<u>86,618</u>	<u>305,688</u>	<u>493,663</u>	<u>47,185</u>
NET BOOK VALUE				
AT 6TH APRIL 1991	<u>62,417</u>	<u>307,578</u>	<u>514,513</u>	<u>46,445</u>
		1992		1991
10. INVESTMENTS				
These are unquoted investments as follows				
Grange Farm (Bulmer) Limited				
1000 'A' Ord. voting shares of £1 each at cost		1,000		1,000
The Company owns 100% of the issued 'A' Ord. voting shares				
Trade Investments		1,552		1,455
Castle Howard Apiary		16,627		15,190
		<u>£ 19,179</u>		<u>£ 17,645</u>
11. STOCKS				
Materials and consumables		17,426		20,315
Goods for resale		259,868		284,521
Farm livestock, produce, stores and workings in land		197,307		229,905
		<u>£474,601</u>		<u>£534,741</u>
12. DEBTORS				
Trade debtors		114,563		111,884
Other debtors		1,351,405		22,507
Prepayments and accrued income		81,004		101,470
		<u>£1,546,972</u>		<u>£235,861</u>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

	1992	1991
13. CREDITORS amounts falling due within one year		
Current instalments on loans	51,732	46,595
Current obligations under finance leases	42,296	27,808
Bank overdraft	708,659	447,070
Corporation Tax	82,088	-
Other taxes and Social Security costs	15,876	18,022
Other creditors	146,689	311,424
Accruals	192,703	245,592
	<u>£1,240,043</u>	<u>£1,096,511</u>
The bank overdraft is unsecured		
14. LOANS		
Wholly repayable within five years	2,156,353	2,221,420
Not wholly repayable within five years		
a. by instalments	670,498	273,686
b. otherwise	125,000	125,000
	<u>2,951,851</u>	<u>2,620,106</u>
Amounts due within one year included in current liabilities	51,732	46,595
	<u>2,900,119</u>	<u>2,573,511</u>
Obligation under finance leases payable within two to five years	44,322	34,609
	<u>£2,944,441</u>	<u>£2,608,120</u>
Instalments not due within five years	<u>£578,398</u>	<u>£234,658</u>

Included in the company loans wholly repayable within five years are Mortgage Loans of £12,534 (1991: £14,804)

Details of loans not wholly repayable within five years are as follows:

	1992	1991
a. By instalments		
Agricultural Mortgage Corporation plc		
Loan @ 8.25% repayable by 12th August 2008	157,667	159,782
Loan @ 9.50% repayable by 12th August 2012	109,882	110,710
Loan at variable rate repayable by 12th August 2032	400,000	-
Ryedale District Council		
4 Loans at rates of 9.125% to 9.75% repayable after 5.4.96 (1991:4)	2,949	3,194
	<u>£670,498</u>	<u>£273,686</u>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

14. LOANS continued

b. Otherwise

Mortgage Loans

Agricultural Mortgage Corporation

Loan @ 8.5% repayable by

12th February 2012

119,000

119,000

Loan @ 9.50% repayable by

12th August 2012

6,000

6,000

£125,000£125,000

15. SHARE CAPITAL

1992 1991

AUTHORISED
No. No.1992 1991
ALLOTTED AND
FULLY PAIDOrdinary shares of £1 each
10% (now 7.5% plus tax credit)
non-cumulative preference
shares of £1 each

10,000

10,000

10,000

10,000

80,00080,00080,00080,00090,00090,00090,00090,000

16. PENSION COMMITMENTS

The company has a pension scheme for the benefit of the employees. The cost of the scheme is borne by the company and the employees are not required to make any contributions.

17. CAPITAL COMMITMENTS

1992

1991

Contracted

£ -

£126,000

Not contracted

£ 92,000£ 87,000

18. SUBSIDIARY

Grange Farm (Bulmer) Limited has not been consolidated as it would not be material in giving a true and fair view.