

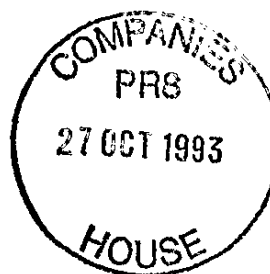
480214

ORIGINAL
(For Information)

CASTLE HOWARD ESTATE LIMITED

REPORT AND ACCOUNTS
31 January 1993

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CASTLE HOWARD ESTATE LIMITED

COMPANY INFORMATION

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.
YO1 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 present their Report and audited financial statements of the company for the year ended 31st January 1993.

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 year amounted to £66,143 before net proceeds on property of £247,986, leaving profits of £314,129 to be deducted from accumulated losses brought forward. Accumulated losses carried forward at 31st January 1993 are £1,091,066. 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 movement in tangible fixed assets during the year is set out in note 9 to the financial statements.

DIRECTORS AND THEIR INTERESTS

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

AT 31ST JANUARY 1992 AND 31ST JANUARY 1993

	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

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 6th September 1993.

By Order of the Board

T.C. Adams

Secretary

5th October 1993



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

We have audited the financial statements on pages 5 to 14 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.

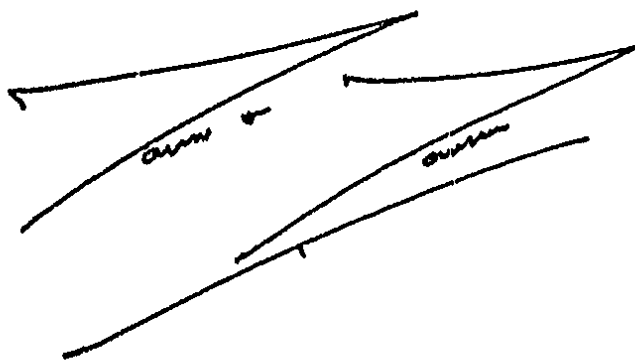
Subject to the foregoing, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st January 1993 and of the profit and cash flow for the year then ended and except for the valuation of land and buildings referred to above, have been properly prepared in accordance with the Companies Act 1985.

BARRON & BARRON

Chartered Accountants
and Registered Auditor

Bathurst House,
86 Micklegate,
York.

5th October 1993

A handwritten signature in dark ink, consisting of several sweeping, overlapping strokes. The signature is slanted upwards from left to right. There are some small, illegible marks within the strokes, possibly initials or a date.

CASTLE HOWARD ESTATE LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31st January 1993

	Note	1993	1992
TURNOVER	2	3,216,363	2,903,251
Cost of sales		2,983,239	2,612,224
		<hr/>	<hr/>
GROSS PROFIT		233,124	291,027
Administrative expenses		250,698	247,847
		<hr/>	<hr/>
		(25,574)	43,180
Other operating income	3	144,686	104,628
		<hr/>	<hr/>
OPERATING PROFIT		119,112	147,808
Exceptional item	5	-	1,137,048
		<hr/>	<hr/>
		119,112	1,284,856
Interest payable	6	52,969	77,164
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		66,143	1,207,692
Tax on profit on ordinary activities	7	-	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		66,143	1,207,692
Net proceeds (expenditure) on freehold property	8	247,986	(112,404)
		<hr/>	<hr/>
PROFIT FOR THE YEAR	16	£ 314,129	£1,095,288
		<hr/>	<hr/>

CASTLE HOWARD ESTATE LIMITED

BALANCE SHEET

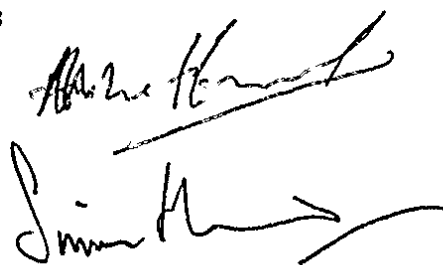
31st January 1993

	Note	1993	1992
FIXED ASSETS			
Tangible assets	9		
Land and buildings		1	1
Plant and machinery		290,769	305,688
Exhibits		493,663	493,663
Cattle herd		46,885	47,185
Plant acquired under finance leases		58,063	86,618
		<u>889,381</u>	<u>933,155</u>
Investments	10	18,596	19,179
		<u>907,977</u>	<u>952,334</u>
CURRENT ASSETS			
Stock	11	537,463	474,601
Debtors	12	458,001	1,546,972
Cash at bank and in hand		888,942	343,482
		<u>1,884,406</u>	<u>2,365,055</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	1,050,997	1,240,043
NET CURRENT ASSETS		<u>833,409</u>	<u>1,125,012</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,741,386</u>	<u>2,077,346</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
Loans	14	2,294,352	2,944,441
		<u>£ (552,966)</u>	<u>£ (867,095)</u>
CAPITAL AND RESERVES			
Called up share capital	15	90,000	90,000
Share Premium account		448,100	448,100
Profit and loss account	16	(1,091,066)	(1,405,195)
		<u>£ (552,966)</u>	<u>£ (867,095)</u>

Approved by the Board of Directors

A.M.G. HOWARD }
 S.B.G. HOWARD } Directors

5th October 1993



CASTLE HOWARD ESTATE LIMITED

CASH FLOW STATEMENT

For the year ended 31st January 1993

	1993	1992
Net cash inflow from operating activities	118,962	28,589
Returns on investments and servicing of finance		
Interest received	99,891	6,155
Interest paid	(100,368)	(65,458)
Net cash (outflow) from returns on investments and servicing of finance	(477)	(59,303)
Taxation		
Corporation tax paid	(12,918)	-
Investing activities		
Receipts from sales of tangible fixed assets	286,929	103,984
Payments to acquire tangible fixed assets	(29,847)	(256,597)
Sale (purchase) of trade investments	583	(1,534)
Sale of contents	1,258,686	(18,700)
Net cash inflow (outflow) from investing activities	1,516,351	(172,847)
Net cash inflow (outflow) before financing	1,621,918	(203,561)
Financing		
New mortgage loan	-	400,000
Loan repayments	(10,578)	(5,458)
Short term loans repaid	(638,952)	(52,574)
Capital element of HP and finance lease payments	(90,015)	(79,561)
Net cash (outflow) inflow from financing	(739,545)	262,407
Increase in cash and cash equivalents	£ 882,373	£ 58,846

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE CASH FLOW STATEMENT
For the year ended 31st January 1993

	1993	1992
1. Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	119,112	147,808
Depreciation	141,518	117,875
Profit on sale of tangible fixed assets	(11,054)	(8,978)
Stocks	(62,862)	60,140
Debtors	(165,600)	(48,994)
Creditors	97,848	(239,262)
Net cash inflow from operating activities	<u>£118,962</u>	<u>£ 28,589</u>
2. Analysis of changes in cash and cash equivalents during the year		
Balance at 1st February 1992	(365,177)	(424,023)
Net cash inflow	<u>882,373</u>	<u>58,846</u>
Balance at 31st January 1993	<u>£517,196</u>	<u>£ (365,177)</u>
3. Analysis of the balances of cash and cash equivalents as shown in the Balance Sheet		
	Change in year	Change in period
1993 1992	1992 1991	
Cash at bank 885,578 340,000	545,578 340,000	- 340,000
Cash in hand 3,364 3,482	(118) 3,482	23,047 (19,503)
Bank overdraft (371,746) (708,659)	336,913 (708,659)	(447,070) (261,589)
	<u>517,196 (365,177)</u>	<u>882,373 (365,177)</u>
		<u>(424,023) 58,846</u>
4. Analysis of changes in financing during the year		
	1993 Loans and finance lease obligations	1992 Loans and finance lease obligations
Balance at 1st February 1992	3,038,469	2,682,523
Cash (outflows) inflows for financing	(739,545)	262,407
Inception of H.P. agreements and finance lease contracts	84,014	93,539
Balance at 31st January 1993	<u>£2,382,938</u>	<u>£3,038,469</u>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements have been prepared in accordance with the historical cost convention as 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.

	1993	1992	1993 PRE-TAX	1992 PROFIT (LOSS)
	TURNOVER			
Castle opening including filming and facility fees	1,578,717	1,511,212	(1,702)	80,176
Farm	1,107,103	985,954	171,145	170,319
Caravan site	113,561	106,140	62,797	50,731
Woodlands	60,567	44,571	(35,453)	(16,768)
Plant centre	356,415	255,374	36,337	6,569
	<u>3,216,363</u>	<u>2,903,251</u>	<u>233,124</u>	<u>291,027</u>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

	1993	1992
3. OTHER OPERATING INCOME		
Rental income less outgoings	£144,686	£104,628
4. OPERATING PROFIT		
a. This is stated after charging		
Directors remuneration		
(see below)	22,465	14,042
Auditors' remuneration	23,101	22,935
Depreciation of tangible fixed assets	96,436	84,268
Depreciation of assets held under finance leases	45,082	33,607
(Profit) on sale of fixed assets	(11,054)	(8,978)
Hire of plant and machinery	-	10,308
b. Directors remuneration		
Fees	-	-
Other emoluments (including pension contributions)	22,465	14,042
	£ 22,465	£ 14,042

The emoluments of the Chairman was £5,370 (1992:£4,553) and the highest paid Director £9,687, excluding pension contributions. Other Directors emoluments, excluding pension contributions fell within the following ranges.

	1993	1992
£ NIL - £ 5,000	-	1
£5,001 - £10,000	1	-
c. Staff costs during the year amounted to		
Wages and salaries	931,885	808,553
Social Security costs	66,679	61,929
Other pension costs	39,908	35,012
	£1,038,472	£905,494

The average weekly number of employees, excluding Directors, retained by the Company throughout the year was 169 (1992:184), including 92 (1992:115) part-time employees.

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

	1993	1992
5. EXCEPTIONAL ITEM		
Profit on sale of contents	-	1,219,136
Tax	-	82,088
	<u>£ -</u>	<u>£1,137,048</u>
6. INTEREST PAYABLE		
Interest received	(107,437)	(6,155)
Bank overdraft	4,884	27,149
Other loans wholly repayable within five years	66,310	26,328
Other loans not wholly repayable within five years	78,711	22,871
Finance charges in respect of finance leases	10,501	6,971
	<u>£ 52,969</u>	<u>£ 77,164</u>
7. TAXATION		
Based on the result for the year:		
Corporation tax	-	-
8. PROFITS ON REALISATION OF FREEHOLD PROPERTY		
Net proceeds on sales including compensation	269,955	65,406
LESS: Capital gains tax	9,972	-
	<u>259,983</u>	<u>65,406</u>
Property improvements less grants	(11,997)	(177,810)
	<u>£247,986</u>	<u>£(112,404)</u>
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.		
Freehold Property	1993	1992
Improvements and acquisitions less grants	11,997	177,810
Sales	269,955	65,406

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 31st January 1992	142,194	857,073	493,663	47,185
Additions	16,527	85,337	-	-
Disposals	-	(59,077)	-	(300)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st January 1993	158,721	883,333	493,663	46,885
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 31st January 1992	55,576	551,385	-	-
Provided during the year	45,082	96,436	-	-
Disposals	-	(55,257)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st January 1993	100,658	592,564	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
AT 31ST JANUARY 1993	58,063	290,769	493,663	46,885
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
AT 31ST JANUARY 1992	86,618	305,688	493,663	47,185
	<hr/>	<hr/>	<hr/>	<hr/>
10. INVESTMENTS		1993		1992
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		983		1,552
Castle Howard Apiary		16,613		16,627
		<hr/>		<hr/>
		£ 18,596		£ 19,179
		<hr/>		<hr/>
11. STOCKS				
Materials and consumables		17,748		17,426
Goods for resale		291,776		259,868
Farm livestock, produce, stores and workings in land		227,939		197,307
		<hr/>		<hr/>
		£537,463		£474,601
		<hr/>		<hr/>
12. DEBTORS				
Trade debtors		201,624		114,563
Other debtors		145,970		1,351,405
Prepayments and accrued income		110,407		81,004
		<hr/>		<hr/>
		£458,001		£1,546,972
		<hr/>		<hr/>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

13. CREDITORS: amounts falling due within one year	1993	1992
Bank overdraft	371,746	708,659
Current instalments on loans	58,616	51,732
Current obligations under finance leases	29,970	42,296
Corporation tax	79,142	82,088
Other taxes and social security	15,001	15,876
Other creditors	142,404	146,689
Accruals	354,118	192,703
	<hr/>	<hr/>
	£1,050,997	£1,240,043

The bank overdraft is unsecured

14. LOANS		
Wholly repayable within five years	1,539,062	2,156,353
Not wholly repayable within five years		
a. by instalments	660,813	670,498
b. otherwise	125,000	125,000
	<hr/>	<hr/>
	2,324,875	2,951,851
Amounts due within one year included in current liabilities	58,616	51,732
	<hr/>	<hr/>
	2,266,259	2,900,119
Obligation under finance leases payable within two to five years	28,093	44,322
	<hr/>	<hr/>
	£2,294,352	£2,944,441
	<hr/>	<hr/>
Instalments not due within five years	£565,059	£578,398

Included in the Company loans wholly repayable within five years are Mortgage Loans of £11,641 (1992:£12,534).

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

a. By instalments	1993	1992
Agricultural Mortgage Corp. plc.		
Loan @ 8.25% repayable by 12th August 2008	153,170	157,667
Loan @ 9.50% repayable by 12th August 2012	108,108	109,882
Loan at variable rate repayable by 12th August 2032	399,535	400,000
Ryedale District Council		
4 Loans at rates of 9.125% to 9.75% repayable after 5.4.97	-	2,949
	<hr/>	<hr/>
	£660,313	£670,498

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ACCOUNTS

14. LOANS

b. Otherwise

Mortgage Loans

Agricultural Mortgage Corp.

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

1993

1992

1993

1992

Authorised

Allotted and
Fully paid

No.

No.

Ordinary shares of £1 each
10% (now 7.5% plus tax credit)

10,000

10,000

10,000

10,000

non-cumulative preference

shares of £1 each

80,000

80,000

80,000

80,000

90,00090,00090,00090,000

16. PROFIT AND LOSS ACCOUNT

1993

1992

At 1st February 1992

(1,405,195)

(2,500,483)

Retained profit for the year

314,129

1,095,288

At 31st January 1993

£(1,091,066)£(1,405,195)

17. 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.

18. CAPITAL COMMITMENTS

1993

1992

Contracted

£31,000

£ -

Not contracted

£12,000

£92,000

19. SUBSIDIARY

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