

CASTLE HOWARD ESTATE LIMITED

FINANCIAL STATEMENTS

31 January 2003

Company Registration No. 480214

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CASTLE HOWARD ESTATE LIMITED

COMPANY INFORMATION

DIRECTORS

The Hon. S.B.G. Howard (Chairman)

The Hon. N.P.G. Howard

SECRETARY

D.N. Peake

AUDITORS

Barron & Barron,
Chartered Accountants
and Registered Auditor,
Bathurst House,
86 Micklegate,
York.

BANKERS

Coutts & Co.,
8 Park Square East,
Leeds.
LS1 2LH

SOLICITORS

Forsters,
London.

Denison Till,
York.

REGISTERED OFFICE

The Estate Office,
Castle Howard,
York.

CASTLE HOWARD ESTATE LIMITED

DIRECTORS' REPORT

The Directors present their Annual Report and the audited financial statements of the company for the year ended 31st January 2003.

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 ordinary activities for the year amounted to £298,192 before net expenditure on property of £676,222, leaving losses of £378,030 to be added to accumulated losses brought forward. Accumulated losses carried forward at 31st January 2003 are £1,338,761.

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 8 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:

| | ORDINARY SHARES | | 7.5% NON-CUMULATIVE PREFERENCE SHARES | |
|---------------------------------------|---------------------------|-------------|--|-------------|
| | OF £1 EACH | | OF £1 EACH | |
| | As at 31st January | | As at 31st January | |
| | 2002 | 2003 | 2002 | 2003 |
| As Trustees - | | | | |
| The Hon. N.P.G. Howard) | | | | |
| The Hon. S.B.G. Howard) | 10,000 | 10,000 | | |
| As Beneficiaries under a Settlement - | | | | |
| The Hon. N.P.G. Howard | | | 37,000 | 37,000 |
| The Hon. S.B.G. Howard | | | 37,000 | 37,000 |

CASTLE HOWARD ESTATE LIMITED**DIRECTORS' REPORT****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 applicable accounting standards have 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.

AUDITORS

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

By Order of the Board



D.N. PEAKE

Secretary

25 June 2003

CASTLE HOWARD ESTATE LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
For the year ended 31 January 2003

We have audited the financial statements on page 6 to 16 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purposes.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with the relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not constant with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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.

CASTLE HOWARD ESTATE LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
For the year ended 31 January 2003

QUALIFIED OPINION FROM DISAGREEMENT ABOUT ACCOUNTING TREATMENT.

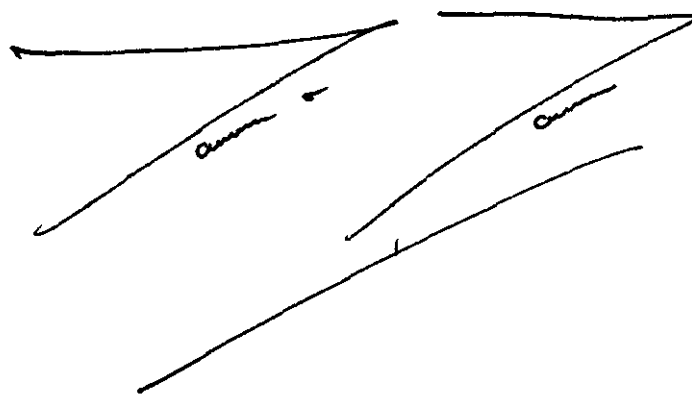
The company owns various freehold land and buildings which have been included at a nominal value of £1 with sales and purchases included in the Profit and Loss Account. The company also owns various exhibits and costumes which are included at cost. Both the above do not comply with the requirements of the Companies Act 1985 and FRS 15 in relation to the reflection of fixed assets at a fair value. In our opinion these assets are worth substantially more than the accounts value but without a professional valuation it is not possible to quantify the exact values. It should also be noted that no depreciation has been provided on the above assets in accordance with FRS 15. The financial statements do not include an explanation for this departure from applicable accounting standards as required by the Companies Act 1985.

Except for the failure to account for the fair value of fixed assets and related depreciation in accordance with FRS 15, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 January 2003 and of its profit and cash flow for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BARRON & BARRON
Chartered Accountants

Bathurst House
86 Micklegate
York
YO1 6LQ

25 June 2003



CASTLE HOWARD ESTATE LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 31st January 2003

| | Note | 2003 | 2002 |
|--|------|------------|-----------|
| TURNOVER | 2 | 4,701,086 | 3,614,080 |
| Cost of sales | | 4,135,946 | 3,241,648 |
| | | <hr/> | <hr/> |
| GROSS PROFIT | | 565,140 | 372,432 |
| Administrative expenses | | 546,961 | 502,671 |
| | | <hr/> | <hr/> |
| | | 18,179 | (130,239) |
| Other operating income | 3 | 457,869 | 376,558 |
| | | <hr/> | <hr/> |
| OPERATING PROFIT | | 476,048 | 246,319 |
| Interest payable | 5 | 111,856 | 73,714 |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 364,192 | 172,605 |
| Tax on profit on ordinary activities | 6 | 66,000 | 17,786 |
| | | <hr/> | <hr/> |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | 298,192 | 154,819 |
| Net proceeds (expenditure) on freehold property | 7 | (676,222) | (33,900) |
| | | <hr/> | <hr/> |
| PROFIT/(LOSS) FOR THE YEAR | 15 | £(378,030) | £120,919 |
| | | <hr/> | <hr/> |

There were no recognised gains or losses either in the current or preceding year other than those recorded in the profit and loss account.

All of the activities undertaken by the company during the year are continuing activities.

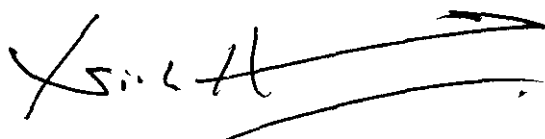
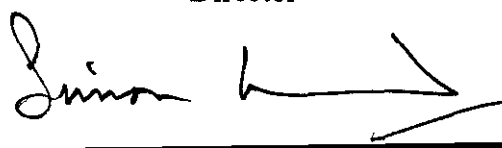
CASTLE HOWARD ESTATE LIMITED**BALANCE SHEET****31st January 2003**

| | Note | 2003 | 2002 |
|--|------|-------------------|-------------------|
| FIXED ASSETS | | | |
| Tangible assets | 8 | | |
| Land and buildings | | 1 | 1 |
| Plant and machinery | | 269,483 | 286,249 |
| Exhibits | | 455,875 | 455,875 |
| Plant acquired under finance leases | | 45,407 | 572 |
| | | <u>770,766</u> | <u>742,697</u> |
| Investments | 9 | 3,159 | 2,840 |
| | | <u>773,925</u> | <u>745,537</u> |
| CURRENT ASSETS | | | |
| Stock | 10 | 718,420 | 681,584 |
| Debtors | 11 | 391,072 | 728,830 |
| Cash at bank and in hand | | 112,668 | 368,794 |
| | | <u>1,222,160</u> | <u>1,779,208</u> |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 12 | 923,851 | 1,179,604 |
| | | <u>298,309</u> | <u>599,604</u> |
| NET CURRENT ASSETS | | | |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 1,072,234 | 1,345,141 |
| CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | | | |
| Loans | 13 | 1,872,895 | 1,767,772 |
| | | <u>£(880,661)</u> | <u>£(422,631)</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 14 | 90,000 | 90,000 |
| Share Premium account | | 448,100 | 448,100 |
| Profit and loss account | 15 | (1,338,761) | (960,731) |
| | | <u>£(880,661)</u> | <u>£(422,631)</u> |
| SHAREHOLDERS' FUNDS | 16 | | |
| | | <u>£(880,661)</u> | <u>£(422,631)</u> |

The financial statements were approved by the Board of Directors on 25 June 2003 and are signed on its behalf by:

N.P.G. HOWARD
Director

S.B.G. HOWARD
Director

CASTLE HOWARD ESTATE LIMITED

CASH FLOW STATEMENT

For the year ended 31st January 2003

| | Note | 2003 | 2002 |
|--|------|---------------------|---------------------|
| Reconciliation of operating profit to net cash inflow (outflow) from operating activities | | | |
| Operating profit | | 476,048 | 246,319 |
| Depreciation | | 119,552 | 107,695 |
| (Profit) loss on sale of tangible fixed assets | | (14,499) | (7,144) |
| Stocks | | (36,836) | (72,524) |
| Debtors | | (12,242) | (84,715) |
| Creditors | | (365,252) | (1,200) |
| Net cash inflow (outflow) from operating activities | | <u>£166,771</u> | <u>£188,431</u> |
| CASH FLOW STATEMENT | | | |
| Net cash (outflow) inflow from operating activities | | 166,771 | 188,431 |
| Returns on investments and servicing of finance | 20 | (115,724) | (65,556) |
| Taxation | 20 | (17,786) | (126) |
| Capital expenditure | 20 | (459,663) | (500,412) |
| | | <u>(426,402)</u> | <u>(377,663)</u> |
| Management of liquid resources | 20 | | - |
| Financing | 20 | <u>97,662</u> | <u>432,947</u> |
| Increase (decrease) in cash | | <u>£(328,740)</u> | <u>£55,284</u> |
| Reconciliation of net cash flow to movement in net debt | | | |
| Increase (decrease) in cash | 21 | (328,740) | 55,284 |
| Cash repaying(increased) debt | | <u>(97,662)</u> | <u>(432,947)</u> |
| | | (426,402) | (377,663) |
| Change in net debt | | | |
| Net debt at 1st February 2002 | | <u>(1,586,698)</u> | <u>(1,209,035)</u> |
| Net debt at 31st January 2003 | | <u>£(2,013,100)</u> | <u>£(1,586,698)</u> |

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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 a nominal value of £1.00.

DEPRECIATION

No depreciation has been provided on freehold property, costume gallery exhibits or castle opening exhibits.

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.

PENSION COSTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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:

| | 2003 | 2002 | 2003 | 2002 |
|---|-------------------|-------------------|-----------------------|-----------------|
| | TURNOVER | | PRE-TAX PROFIT (LOSS) | |
| Castle opening including filming and facility fees | 2,258,993 | 1,983,582 | 60,181 | (2,900) |
| Farm | 1,040,432 | 827,598 | 299,670 | 208,771 |
| Caravan site | 625,419 | 126,882 | 118,079 | 64,654 |
| Woodlands | 293,452 | 193,394 | 15,134 | 23,612 |
| Plant centre | 482,790 | 482,624 | 72,076 | 78,295 |
| | <u>£4,701,086</u> | <u>£3,614,080</u> | <u>£565,140</u> | <u>£372,432</u> |

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

| | 2003 | 2002 |
|---|-------------------|-------------------|
| 3. OTHER OPERATING INCOME | | |
| Rental income less outgoings | <u>£457,869</u> | <u>£376,558</u> |
| 4. OPERATING PROFIT | | |
| a. This is stated after charging | | |
| Directors remuneration | 150,000 | - |
| Auditors' remuneration | 25,650 | 27,945 |
| Depreciation of tangible fixed assets | 113,935 | 104,030 |
| Depreciation of assets held under finance leases | 5,617 | 3,665 |
| (Profit) loss on sale of fixed assets held under finance leases | (4,499) | (7,144) |
| | <u>(10,000)</u> | <u>-</u> |
| b. Staff costs during the year amounted to | | |
| Wages and salaries | 1,580,359 | 1,296,897 |
| Social Security costs | 119,201 | 84,841 |
| Other pension costs | 76,308 | 53,949 |
| | <u>£1,775,868</u> | <u>£1,435,687</u> |

The average weekly number of employees, excluding Directors, retained by the Company throughout the year was 178 (2002: 147), including 103 (2002: 80) part-time employees.

| | 2003 | 2002 |
|--|-----------------|----------------|
| 5. INTEREST PAYABLE | | |
| FII | (1,315) | (1,224) |
| Interest received | (3,711) | (16,832) |
| Bank overdraft | 2,844 | 2,626 |
| Other loans wholly repayable within five years | 15,009 | 16,182 |
| Other loans not wholly repayable within five years | 97,379 | 71,997 |
| Finance charges in respect of finance leases | 1,650 | 965 |
| | <u>£111,856</u> | <u>£73,714</u> |

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

| | 2003 | 2002 |
|--|-------------------|-------------------|
| 6. TAXATION | | |
| Based on the result for the year: | | |
| Corporation tax at 30% (2002 20%) | £66,000 | £17,786 |
| | <u> </u> | <u> </u> |
| 7. PROFITS ON REALISATION OF FREEHOLD PROPERTY | | |
| Net proceeds on sales | - | 370,667 |
| Property improvements | (676,222) | (404,567) |
| | <u> </u> | <u> </u> |
| | £(676,222) | £(33,900) |
| | <u> </u> | <u> </u> |
| 8. TANGIBLE FIXED ASSETS | | |
| a. LAND AND BUILDINGS | | |
| The freehold properties are stated at a nominal value £1.00. | | |
| No depreciation has been provided. | | |

| | PLANT ACQUIRED UNDER FINANCE LEASES | PLANT AND MACHINERY | EXHIBITS |
|------------------------------|--|------------------------|-------------------|
| TANGIBLE FIXED ASSETS | | | |
| b. COST OR VALUATION | | | |
| At 31st January 2002 | 302,237 | 1,143,178 | 455,875 |
| Additions | 50,452 | 97,170 | - |
| Disposals | (72,361) | (20,000) | - |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31st January 2003 | 280,328 | 1,220,348 | 455,875 |
| | <u> </u> | <u> </u> | <u> </u> |
| DEPRECIATION | | | |
| At 31st January 2002 | 301,665 | 856,929 | - |
| Provided during the year | 5,617 | 113,935 | - |
| Disposals | (72,361) | (19,999) | - |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31st January 2003 | 234,921 | 950,865 | - |
| | <u> </u> | <u> </u> | <u> </u> |
| NET BOOK VALUE | | | |
| AT 31ST JANUARY 2003 | £45,407 | £269,483 | £455,875 |
| | <u> </u> | <u> </u> | <u> </u> |
| NET BOOK VALUE | | | |
| AT 31ST JANUARY 2002 | £572 | £286,249 | £455,875 |
| | <u> </u> | <u> </u> | <u> </u> |

CASTLE HOWARD ESTATE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

| 9. INVESTMENTS | 2003 | 2002 |
|--|-----------------|-------------------|
| 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 | 2,159 | 1,840 |
| | <u>£3,159</u> | <u>£ 2,840</u> |
| 10. STOCKS | | |
| Materials and consumables | 35,650 | 13,021 |
| Goods for resale | 332,742 | 234,355 |
| Farm livestock, produce, stores and workings in land | 350,028 | 434,208 |
| | <u>£718,420</u> | <u>£681,584</u> |
| 11. DEBTORS | | |
| Trade debtors | 248,168 | 206,289 |
| Other debtors | 44,494 | 420,387 |
| Prepayments and accrued income | 98,410 | 102,154 |
| | <u>£391,072</u> | <u>£728,830</u> |
| 12. CREDITORS: amounts falling due within one year | | |
| Bank overdraft | 72,614 | - |
| Current instalments on loans | 170,169 | 187,148 |
| Current obligations under finance leases | 10,090 | 572 |
| Trade creditors | 231,748 | 675,376 |
| Corporation tax | 66,000 | 17,786 |
| Other taxes and social security | 118,749 | 2,600 |
| Other creditors | 68,535 | 79,338 |
| Accruals | 185,946 | 216,784 |
| | <u>£923,851</u> | <u>£1,179,604</u> |

The bank overdraft is unsecured.

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

| 13 | LOANS | 2003 | 2002 |
|----|--|------------|------------|
| a. | Loans repayable | | |
| | Within 1 - 2 years | 366,209 | 333,019 |
| | Within 2 - 5 years | 26,527 | - |
| | 5 years or more | 1,480,159 | 1,434,753 |
| | | <hr/> | <hr/> |
| | | £1,872,895 | £1,767,772 |
| | | <hr/> | <hr/> |
| b. | Details of loans repayable five years or more are as follows: | | |
| | By instalments | | |
| | Agricultural Mortgage Corp. plc. | | |
| | Loan at variable rate repayable by 4 th October 2009 | 249,224 | 286,224 |
| | Loan at 7.66% repayable by 4 th October 2009 | 258,915 | 292,111 |
| | Loan at variable rate repayable by 1 st February 2010 | 51,136 | 58,168 |
| | Loan at 7.68% repayable by 1 st February 2010 | 53,040 | 59,292 |
| | Loan at variable rate repayable by 31 st March 2010 | 34,797 | 39,376 |
| | Loan at 7.45% repayable by 1 st March 2010 | 35,612 | 39,852 |
| | Loan at 7.41% repayable by 2 nd May 2010 | 36,288 | 40,483 |
| | Loan at variable rate repayable by 1 st June 2010 | 35,587 | 40,025 |
| | Loan at 6.85% repayable by 4 th July 2021 | 64,423 | 64,854 |
| | Loan at variable rate repayable by 4 th July 2021 | 50,561 | 51,664 |
| | Loan at variable rate repayable by 12 th April 2021 | 12,573 | 12,704 |
| | Loan at variable rate repayable by 30 th January 2012 | 226,436 | 225,000 |
| | Loan at 6.41% repayable by 30 th January 2012 | 230,100 | 225,000 |
| | Loan at variable rate repayable by 21 May 2012 | 69,987 | - |
| | Loan at 6.47% repayable by 21 May 2012 | 71,480 | - |
| | | <hr/> | <hr/> |
| | | £1,480,159 | £1,434,753 |
| | | <hr/> | <hr/> |

| | 2003 | 2002 | 2003 | 2002 |
|--|------------|--------|-------------------------|--------|
| | Authorised | | Allotted and Fully paid | |
| 14. SHARE CAPITAL | | | | |
| | No. | No. | | |
| Ordinary shares of £1 each | 10,000 | 10,000 | 10,000 | 10,000 |
| 7.5% non-cumulative preference shares of £1 each | 80,000 | 80,000 | 80,000 | 80,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 90,000 | 90,000 | 90,000 | 90,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

CASTLE HOWARD ESTATE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

| | 2003 | 2002 |
|---|---------------------|-------------------|
| 15. PROFIT AND LOSS ACCOUNT | | |
| At 1st February 2002 | (960,731) | (1,081,650) |
| Retained profit(loss) for the year | (378,030) | 120,919 |
| | <hr/> | <hr/> |
| At 31st January 2003 | <u>£(1,338,761)</u> | <u>£(960,731)</u> |
| 16. SHAREHOLDERS' FUNDS | | |
| Reconciliation of movement in shareholders' funds | | |
| Opening shareholders' funds | (422,631) | (543,550) |
| Increase(decrease) in shareholders' funds - retained profit(loss) | (378,030) | 120,919 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | <u>£(800,661)</u> | <u>£(422,631)</u> |
| 17. CAPITAL COMMITMENTS | | |
| Contracted | - | £84,000 |
| | <hr/> | <hr/> |
| Not contracted | <u>£419,096</u> | <u>£441,150</u> |
| 18. SUBSIDIARY | | |
| Grange Farm (Bulmer) Limited has not been consolidated as it would not be material in giving a true and fair view. | | |
| 19. RELATED PARTY DISCLOSURE | | |
| No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8. | | |

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

20. GROSS CASH FLOWS

| | 2003 | 2002 |
|---|-------------------|-------------------|
| Returns on investment and servicing of finance | | |
| FII | 1,315 | 1,224 |
| Interest received | 3,711 | 16,832 |
| Interest paid | (120,750) | (83,612) |
| | <u>£(115,724)</u> | <u>£(65,556)</u> |
| Taxation | | |
| Corporation tax paid | (17,786) | - |
| Income tax paid | - | (126) |
| | <u>£(17,786)</u> | <u>£(126)</u> |
| Capital expenditure | | |
| Receipts from sales of tangible fixed assets | 364,500 | 28,167 |
| Payments to acquire tangible fixed assets | (823,844) | (528,336) |
| Payments to acquire trade investments | (319) | (243) |
| | <u>£(459,663)</u> | <u>£(500,412)</u> |
| Financing | | |
| Loans advanced | 150,000 | 635,000 |
| Loan repayments | (124,694) | (88,275) |
| Short term loans (increased) | 43,270 | (68,326) |
| Capital element of HP and finance lease payments | 29,086 | (45,452) |
| | <u>£97,662</u> | <u>£432,947</u> |

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

21. ANALYSIS OF CHANGES IN NET DEBT

| | At 1.2.02 | Cash Flows | At 31.1.03 |
|--------------------------|---------------------|-------------------|---------------------|
| Cash at bank and in hand | 368,794 | (256,126) | 112,668 |
| Overdraft | - | (72,614) | (72,614) |
| | | <u>£(328,740)</u> | |
| Debt due within 1 year | (187,720) | 7,461 | (180,259) |
| Debt due after 1 year | (1,767,772) | (105,123) | (1,872,895) |
| | <u>£(1,586,698)</u> | <u>£(426,402)</u> | <u>£(2,013,100)</u> |