

CASTLE HOWARD ESTATE LIMITED
ABBREVIATED ACCOUNTS
31 JANUARY 2009

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CASTLE HOWARD ESTATE LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2009

CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2 to 4
Independent auditor's report to the company	5 to 6
Independent auditor's report to the shareholders	7 to 8
Abbreviated profit and loss account	9
Abbreviated balance sheet	10
Cash flow statement	11
Notes to the abbreviated accounts	12 to 22

CASTLE HOWARD ESTATE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	The Hon. S B G Howard - Chairman The Hon. N P G Howard
Company secretary	Mr H A Rayment
Registered office	The Estate Office Castle Howard York YO60 7DA
Auditor	Barron & Barron Chartered Accountants & Registered Auditors Bathurst House 86 Micklegate York YO1 6LQ
Bankers	Coutts & Co 8 Park Square East Leeds LS1 2LH
Solicitors	Forsters LLP 31 Hill Street London W1J 5LS Denison Till Stamford House Piccadilly York YO1 1PP

CASTLE HOWARD ESTATE LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 JANUARY 2009

The directors present their report and the financial statements of the company for the year ended 31 January 2009.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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

The loss on ordinary activities for the year amounted to £343,918 before net receipts on property of £168,767, leaving a loss of £175,151 to be added to accumulated losses brought forward. Accumulated losses carried forward at 31st January 2009 are £813,218.

The business continued to make progress in its objective to conserve and restore the historic buildings and landscape of the Castle Howard Estate.

The estate continues to investigate opportunities for redevelopment of redundant building stock and opportunities in the leisure and tourism sector.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the company.

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.

RESULTS AND DIVIDENDS

The loss for the year amounted to £175,151. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

Details of the company's financial risk management objectives and policies are included in note 16 to the accounts.

DIRECTORS

The directors who served the company during the year were as follows:

The Hon. S B G Howard

The Hon. N P G Howard

CASTLE HOWARD ESTATE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JANUARY 2009

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

	Ordinary shares of £1 each		7.5% non-cumulative preference shares of £1 each	
	As at 31 January		As at 31 January	
	2009	2008	2009	2008
As Trustees -				
The Hon. S B G Howard)				
The Hon. N P G Howard)		10,000		
As Beneficiaries under a Settlement -				
The Hon. S B G Howard			40,000	37,000
The Hon. N P G Howard			40,000	37,000

FIXED ASSETS

The movement in tangible fixed assets during the year is set out in note 10 to the financial statements.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

CASTLE HOWARD ESTATE LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JANUARY 2009

In so far as the directors are aware:

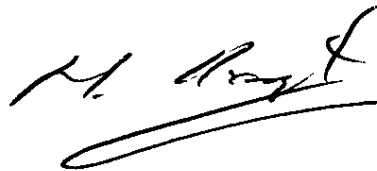
- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to re-appoint Barron & Barron as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
The Estate Office
Castle Howard
York
YO60 7DA

Signed by order of the directors



MR H A RAYMENT
Company Secretary

Approved by the directors on 21 April 2009

CASTLE HOWARD ESTATE LIMITED

INDEPENDENT AUDITOR'S REPORT TO CASTLE HOWARD ESTATE LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts, together with the financial statements of Castle Howard Estate Limited for the year ended 31 January 2009 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

CASTLE HOWARD ESTATE LIMITED

INDEPENDENT AUDITOR'S REPORT TO CASTLE HOWARD ESTATE LIMITED (continued)

UNDER SECTION 247B OF THE COMPANIES ACT 1985

QUALIFIED OPINION

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 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 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:

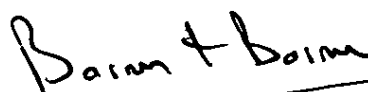
the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Practice, of the state of the company's affairs as at 31st January 2009 and of its profit for the period then ended;

the financial statements and have been properly prepared in accordance with the Companies Act 1985 and

the information given in the Directors' Report is consistent with the financial statements.

OTHER INFORMATION

On 21 April 2009 we reported, as auditor of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 January 2009, and the full text of the company audit report is reproduced on pages 7 to 8 of these financial statements.



BARRON & BARRON
Chartered Accountants
& Registered Auditors

Bathurst House
86 Micklegate
York
YO1 6LQ

21 April 2009

CASTLE HOWARD ESTATE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CASTLE HOWARD ESTATE LIMITED

YEAR ENDED 31 JANUARY 2009

We have audited the financial statements of Castle Howard Estate Limited for the year ended 31 January 2009 which have been prepared on the basis of the accounting policies set out on pages 10 to 12.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 AUDITOR'S REPORT TO THE SHAREHOLDERS OF CASTLE HOWARD ESTATE LIMITED *(continued)*

YEAR ENDED 31 JANUARY 2009

QUALIFIED OPINION

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 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 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, in accordance with United Kingdom Generally Accepted Practice, of the state of the company's affairs as at 31st January 2009 and of its profit for the period then ended;

the financial statements and have been properly prepared in accordance with the Companies Act 1985 and

the information given in the Directors' Report is consistent with the financial statements.



BARRON & BARRON
Chartered Accountants
& Registered Auditors

Bathurst House
86 Micklegate
York
YO1 6LQ

21 April 2009

CASTLE HOWARD ESTATE LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JANUARY 2009

	Note	2009 £	2008 £
GROSS PROFIT		592,989	1,172,340
Administrative expenses		876,971	907,112
OPERATING (LOSS)/PROFIT	2	(283,982)	265,228
Interest receivable and similar income	5	13,995	28,151
Interest payable and similar charges	6	(74,110)	(100,568)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(344,097)	192,811
Tax on (loss)/profit on ordinary activities	7	(179)	26,000
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(343,918)	166,811
Property transactions	8	(168,767)	(150,510)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>£(175,151)</u>	<u>£317,321</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 12 to 22 form part of these abbreviated accounts.

CASTLE HOWARD ESTATE LIMITED

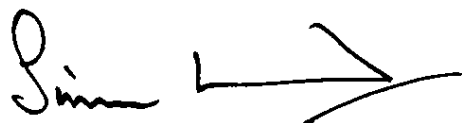
ABBREVIATED BALANCE SHEET

31 JANUARY 2009

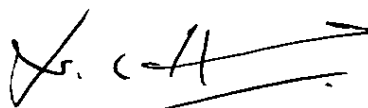
	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	9	973,512	819,900
CURRENT ASSETS			
Stocks	10	871,291	827,168
Debtors	11	254,359	200,264
Investments	12	4,674	4,194
Cash at bank and in hand		87,125	570,641
		<u>1,217,449</u>	<u>1,602,267</u>
CREDITORS: Amounts falling due within one year	13	<u>1,045,367</u>	<u>1,050,095</u>
NET CURRENT ASSETS		172,082	552,172
TOTAL ASSETS LESS CURRENT LIABILITIES		1,145,594	1,372,072
CREDITORS: Amounts falling due after more than one year	14	1,420,712	1,472,039
		<u>£(275,118)</u>	<u>£(99,967)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	90,000	90,000
Share premium account	19	448,100	448,100
Profit and loss account	20	(813,218)	(638,067)
DEFICIT	21	<u>£(275,118)</u>	<u>£(99,967)</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors and authorised for issue on 21 April 2009, and are signed on their behalf by:



THE HON. S B G HOWARD



THE HON. N P G HOWARD

The notes on pages 12 to 22 form part of these abbreviated accounts.

CASTLE HOWARD ESTATE LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 JANUARY 2009

	Note	2009 £	2008 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	22	(127,073)	467,815
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	22	(60,115)	(72,417)
TAXATION	22	(25,821)	(67,585)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	22	(202,699)	14,265
CASH (OUTFLOW)/INFLOW BEFORE USE OF LIQUID RESOURCES AND FINANCING		(415,708)	342,078
MANAGEMENT OF LIQUID RESOURCES Cash placed in other liquid investments		(480)	(819)
NET CASH OUTFLOW FROM MANAGEMENT OF LIQUID RESOURCES		(480)	(819)
FINANCING	22	(43,058)	(293,910)
(DECREASE)/INCREASE IN CASH	22	<u>£(459,246)</u>	<u>£47,349</u>

The notes on pages 12 to 22 form part of these abbreviated accounts.

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments.

Freehold property has been included at a nominal value of £1. In the opinion of the directors, the value of the freehold property is in excess of any liabilities that the company has incurred.

Turnover

Turnover represent the amount of entrance fees received, rents receivable and goods and produce sold (stated net of value added tax).

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery -	5 years	Motor vehicles	- 4 years
Other assets	- 20 years	Leased assets	- over the term of primary lease

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Farm livestock, produce, stores and workings in land is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of Farm livestock, produce, stores and workings in land.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

1. ACCOUNTING POLICIES *(continued)*

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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.

Financial instruments

Investments

All investments are initially recorded at cost, being the fair value of the consideration given and including acquisition costs associated with the investment. All purchases and sales of investments are recognised using trade date accounting.

Trade and other debtors

Trade and other debtors are recognised and carried forward at invoiced amounts less provisions for any doubtful debts. Bad debts are written off when identified.

Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

Interest-bearing loans and borrowings

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are measured at the amounts payable at the year end.

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

1. ACCOUNTING POLICIES *(continued)*

Government grants

Government grants on capital expenditure have been deducted from the costs of the relevant assets. Grants of a revenue nature are credited to income in the period to which they relate.

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging/(crediting):

	2009	2008
	£	£
Depreciation of owned fixed assets	198,325	186,568
Depreciation of assets held under hire purchase and finance lease agreements	20,606	15,462
Profit on disposal of fixed assets	(1,077)	(9,946)
Auditor's remuneration		
- as auditor	33,450	33,500
Operating lease costs:		
Plant and equipment	<u>47,755</u>	<u>47,530</u>

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2009	2008
	No	No
Average weekly number of full time employees (excluding directors)	71	73
Average weekly number of part time employees (excluding directors)	148	140
	<u>219</u>	<u>213</u>

The aggregate payroll costs of the above were:

	2009	2008
	£	£
Wages and salaries	2,280,649	2,216,910
Social security costs	170,011	164,604
Other pension costs	72,957	70,767
	<u>2,523,617</u>	<u>2,452,281</u>

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2009	2008
	£	£
Emoluments receivable	<u>173,444</u>	<u>181,516</u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2009	2008
	£	£
Bank interest receivable	11,860	26,124
Other similar income receivable	2,135	2,027
	<u>13,995</u>	<u>28,151</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Interest payable on bank borrowing	2,034	202
Loan interest payable	68,003	93,328
Finance charges	4,073	5,265
Interest on other loans	-	1,773
	<u>74,110</u>	<u>100,568</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009	2008
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 21% (2008 - 19.98%)	-	26,000
Over/under provision in prior year	(179)	-
Total current tax	<u>(179)</u>	<u>26,000</u>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2009

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2008 - 19.98%).

	2009 £	2008 £
(Loss)/profit on ordinary activities before taxation	(344,097)	192,811
(Loss)/profit on ordinary activities by rate of tax	(72,260)	38,524
Adjustments re capital allowances, woods, losses etc.	72,260	(12,524)
Prior year adjustment	(179)	-
Total current tax (note 7(a))	(179)	26,000

8. PROPERTY TRANSACTIONS

	2009 £	2008 £
Sale of property	(168,767)	(150,510)

9. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Plant under finance leases £	Exhibits £	Total £
COST					
At 1 February 2008	1	2,093,958	77,943	405,880	2,577,782
Additions	-	373,136	-	-	373,136
Disposals	-	(5,479)	-	-	(5,479)
At 31 January 2009	1	2,461,615	77,943	405,880	2,945,439
DEPRECIATION					
At 1 February 2008	-	1,679,939	77,943	-	1,757,882
Charge for the year	-	218,931	-	-	218,931
On disposals	-	(4,886)	-	-	(4,886)
At 31 January 2009	-	1,893,984	77,943	-	1,971,927
NET BOOK VALUE					
At 31 January 2009	1	567,631	-	405,880	973,512
At 31 January 2008	1	414,019	-	405,880	819,900

Hire purchase and finance lease agreements

Included within the net book value of £973,512 is £77,103 (2008 - £62,709) relating to assets held under hire purchase agreements, and £Nil (2008 - £Nil) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements amounted to £20,606 (2008 - £10,417), and £Nil (2008 - £5,045) in respect of assets held under finance lease agreements.

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

10. STOCKS

	2009	2008
	£	£
Materials and consumables	46,014	30,295
Farm livestock, produce, stores and workings in land	445,989	456,021
Goods for resale	379,288	340,852
	<u>871,291</u>	<u>827,168</u>

11. DEBTORS

	2009	2008
	£	£
Trade debtors	109,004	88,693
Other debtors	23,897	6,355
Prepayments and accrued income	121,458	105,216
	<u>254,359</u>	<u>200,264</u>

12. INVESTMENTS

	2009	2008
	£	£
Trade investments	<u>4,674</u>	<u>4,194</u>

13. CREDITORS: Amounts falling due within one year

	2009	2008
	£	£
Bank loans and overdrafts	321,315	331,055
Trade creditors	157,931	156,347
Corporation tax	—	26,000
PAYE and social security	126,321	120,357
VAT	48,862	51,266
Hire purchase and finance lease agreements	30,145	17,573
Other creditors	86,368	90,026
Accruals and deferred income	274,425	257,471
	<u>1,045,367</u>	<u>1,050,095</u>

The bank overdraft is unsecured.

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

14. CREDITORS: Amounts falling due after more than one year

	2009 £	2008 £
Bank loans	1,010,970	1,076,142
Hire purchase and finance lease agreements	39,582	46,395
Other creditors	–	16,052
Directors' loan accounts	370,160	333,450
	<u>1,420,712</u>	<u>1,472,039</u>

The bank loans with The Agricultural Mortgage Corporation PLC are secured on land owned by the company.

Details of loans repayable five years or more are as follows: Agricultural Mortgage Corp. Plc.

Loan at 6.70% repayable by 4 Jul 2021	50,262	52,914
Loan at variable rate repayable by 4 Jul 2021	38,424	41,025
Loan at variable rate repayable by 12 Apr 2021	8,222	10,129
Loan at 6.06% repayable by 9 Sept 2013	–	207,856
Loan at 6.06% repayable by 31 Aug 2014	168,253	197,378
Loan at 6.21% repayable by 7 Oct 2014	172,857	200,843
	<u>438,018</u>	<u>710,145</u>

15. COMMITMENTS UNDER HIRE PURCHASE AND FINANCE LEASE AGREEMENTS

Future commitments under hire purchase and finance lease agreements are as follows:

	2009 £	2008 £
Amounts payable within 1 year	30,145	17,573
Amounts payable between 1 and 2 years	28,289	18,479
Amounts payable between 3 and 5 years	11,293	27,916
	<u>69,727</u>	<u>63,968</u>

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

Interest rate risk

The company takes out a mixture of fixed and variable rate loans as a means to managed interest rate risk.

Credit risk

The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

17. COMMITMENTS UNDER OPERATING LEASES

At 31 January 2009 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets Other Than Land & Buildings	
	2009	2008
	£	£
Operating leases which expire:		
Within 1 year	22,619	2,355
Within 2 to 5 years	24,303	40,409
	<u>46,922</u>	<u>42,764</u>

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

18. SHARE CAPITAL

Authorised share capital:

	2009	2008
	£	£
10,000 Ordinary shares of £1 each	10,000	10,000
80,000 7.5% non-cumulative preference shares of £1 each	80,000	80,000
	<u>90,000</u>	<u>90,000</u>

Allotted and called up:

	2009		2008	
	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
	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>

19. SHARE PREMIUM ACCOUNT

There was no movement on the share premium account during the financial year.

20. PROFIT AND LOSS ACCOUNT

	2009	2008
	£	£
Balance brought forward	(638,067)	(955,388)
(Loss)/profit for the financial year	(175,151)	317,321
Balance carried forward	<u>(813,218)</u>	<u>(638,067)</u>

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
(Loss)/Profit for the financial year	(175,151)	317,321
Opening shareholders' deficit	<u>(99,967)</u>	<u>(417,288)</u>
Closing shareholders' deficit	<u>(275,118)</u>	<u>(99,967)</u>

CASTLE HOWARD ESTATE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2009

22. NOTES TO THE STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2009	2008
	£	£
Operating (loss)/profit	(283,982)	265,228
Depreciation	218,931	202,030
Profit on disposal of fixed assets	(1,077)	(9,946)
Increase in stocks	(44,123)	(293,335)
(Increase)/decrease in debtors	(35,262)	479,174
Increase/(decrease) in creditors	18,440	(175,336)
Net cash (outflow)/inflow from operating activities	<u>£(127,073)</u>	<u>£467,815</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2009	2008
	£	£
Interest received	13,995	28,151
Interest paid	(70,037)	(95,303)
Interest element of hire purchase and finance lease	<u>(4,073)</u>	<u>(5,265)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(60,115)</u>	<u>(72,417)</u>

TAXATION

	2009	2008
	£	£
Taxation	<u>(25,821)</u>	<u>(67,585)</u>

CAPITAL EXPENDITURE

	2009	2008
	£	£
Payments to acquire tangible fixed assets	(373,136)	(146,753)
Receipts from sale of fixed assets	<u>170,437</u>	<u>161,018</u>
Net cash (outflow)/inflow from capital expenditure	<u>(202,699)</u>	<u>14,265</u>

FINANCING

	2009	2008
	£	£
Repayment of bank loans	(50,642)	(373,302)
Capital element of hire purchase and finance lease	5,759	48,013
Net outflow from other long-term creditors	(34,885)	(10,645)
Repayment of directors' long-term loans	<u>36,710</u>	<u>42,024</u>
Net cash outflow from financing	<u>(43,058)</u>	<u>(293,910)</u>

CASTLE HOWARD ESTATE LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2009

22. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2009		2008	
	£	£	£	£
(Decrease)/increase in cash in the period	(459,246)		47,349	
Net cash outflow from bank loans	50,642		373,302	
Cash outflow in respect of hire purchase and finance lease	(5,759)		(48,013)	
Net cash outflow from other long-term creditors	34,885		10,645	
Cash (inflow) from directors' long-term loans	(36,710)		(42,024)	
Cash used to increase liquid resources	480		819	
		(415,708)		342,078
Change in net debt		(415,708)		342,078
Net debt at 1 February 2008		(1,245,832)		(1,587,910)
Net debt at 31 January 2009		<u>£(1,661,540)</u>		<u>£(1,245,832)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Feb 2008 £	Cash flows £	At 31 Jan 2009 £
Net cash:			
Cash in hand and at bank	570,641	(483,516)	87,125
Overdrafts	(89,055)	24,270	(64,785)
	<u>481,586</u>	<u>(459,246)</u>	<u>22,340</u>
Liquid resources:			
Current asset investments	<u>4,194</u>	<u>480</u>	<u>4,674</u>
Debt:			
Debt due within 1 year	(242,000)	(14,530)	(256,530)
Debt due after 1 year	(1,425,644)	63,347	(1,362,297)
Hire purchase and finance lease agreements	(63,968)	(5,759)	(69,727)
	<u>(1,731,612)</u>	<u>43,058</u>	<u>(1,688,554)</u>
Net debt	<u>£(1,245,832)</u>	<u>£(415,708)</u>	<u>£(1,661,540)</u>