

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006
FOR
THE MANYDOWN COMPANY LIMITED

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THE MANYDOWN COMPANY LIMITED

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FOR THE YEAR ENDED 31 MARCH 2006

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THE MANYDOWN COMPANY LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2006

DIRECTORS: C A J Oliver-Bellasis Chairman
H R Oliver-Bellasis
Mrs J E Oliver-Bellasis
Mrs D P Oliver-Bellasis
R M Stirling

SECRETARY: Mrs J E Oliver-Bellasis

REGISTERED OFFICE: Upper Farm
Wootton St Lawrence
Basingstoke
Hampshire
RG23 8PE

REGISTERED NUMBER: 716250 (England and Wales)

AUDITORS: PricewaterhouseCoopers LLP
9 Greyfriars Road
Reading
Berkshire
RG1 1JG

SOLICITORS: Wilsons
Steynings House
Summerlock Approach
Salisbury
Wiltshire
SP2 7RJ

THE MANYDOWN COMPANY LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 MARCH 2006**

The directors present their report with the financial statements of the company for the year ended 31 March 2006.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of farming and estate management.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

Both the level of business and the year end financial position were satisfactory, and the directors expect that the present level of activity will continue in the future. The company continues to face the normal uncertainties of a farming business, the key one being the weather. In recent years greater price volatility and changes in the European Union subsidy regime have added to the level of uncertainty for the business. The company has tackled these by diversifying its activities by continued development of its land based assets and the development of the farm shop.

DIVIDENDS

The directors have declared and paid interim preference dividends of £40,764 in respect of the year ended 31st March 2006 (2005: £40,764). The directors do not recommend the payment of a final dividend.

FIXED ASSETS

The directors are of the opinion that the current market value of the freehold property owned by the company is substantially in excess of the book value shown in these financial statements. The directors feel that without a professional valuation, they are unable to quantify the difference between the book value and the market value, but the cost of carrying out the valuation exceeds the benefit of providing such information.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 April 2005 to the date of this report.

C A J Oliver-Bellasis	(Chairman)
H R Oliver - Bellasis	
Mrs D P Oliver-Bellasis	
Mrs J E Oliver-Bellasis	(Company secretary)
R M Stirling	

BENEFICIAL INTERESTS

C A J Oliver-Bellasis holds 20,000 'B' ordinary shares of £1 each (2005: 20,000) and also 100 'F' preference shares of £1 each (2005: 100)

H R Oliver-Bellasis holds 20,000 'B' ordinary shares of £1 each (2005: 20,000) and also 100 'D' preference shares of £1 each (2005: 100)

Mrs D P Oliver-Bellasis holds 100 'G' preference shares of £1 each (2005: 100)

Mrs J E Oliver-Bellasis holds 100 'E' preference shares of £1 each (2005: 100)

NON BENEFICIAL INTEREST AS TRUSTEES

C A J Oliver-Bellasis holds 52,500 'C' ordinary shares of £1 each (2005: 52,500)

H R Oliver-Bellasis holds 52,500 'C' ordinary shares of £1 each (2005: 52,500)

TRUSTEE SHARE INTERESTS

At 31st March 2006, R P G Voremberg, a partner in Wilsons, solicitors to the company was a non-beneficial trustee of trusts which, in aggregate, hold 155,000 'B' ordinary shares of £1 each in the company and 105,000 'C' ordinary shares of £1 each in the company.

THE MANYDOWN COMPANY LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31 MARCH 2006**

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a variety of risks; the primary ones being price risk and liquidity risk.

Price Risk

The company is exposed to commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to commodity risk exceed any potential benefits. In addition to commodity price risk the company is exposed to equity securities price risk in its investment portfolio.

Liquidity Risk

The company actively maintains an appropriate level of debt through its overdraft facility and the management of its investment portfolio to provide additional funds when required. This has been especially important over the last year due to the delays in payment of the subsidies that were due to the company.

In addition the Company faces the continued uncertainty associated with the extent of political decisions on agricultural policy which can significantly impact the economics of the business.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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;
- 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.

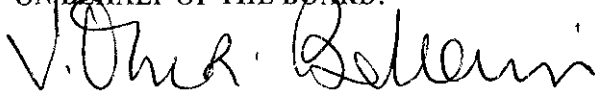
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



Mrs J E Oliver-Bellasis - Secretary

Date: 1 9. 06.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE MANYDOWN COMPANY LIMITED

We have audited the financial statements of The Manydown Company Limited for the year ended 31 March 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also 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.

Opinion

In our opinion:

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its loss for the year then ended;
- The financial statements 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.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Reading

Date: 5th September 2006

THE MANYDOWN COMPANY LIMITED**PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 31 MARCH 2006

	Notes	31.3.06 £	31.3.05 £
TURNOVER	2	2,191,107	2,185,531
Cost of sales		<u>(752,118)</u>	<u>(864,758)</u>
GROSS PROFIT		1,438,989	1,320,773
Administrative expenses		<u>(1,771,050)</u>	<u>(1,565,390)</u>
OPERATING LOSS		(332,061)	(244,617)
Interest receivable and similar income	3	<u>117,512</u>	<u>193,442</u>
LOSS BEFORE INTEREST PAYABLE		(214,549)	(51,175)
Interest payable and similar charges	7	<u>(85,335)</u>	<u>(88,440)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	6	(299,884)	(139,615)
Tax on loss on ordinary activities	8	<u>(45,315)</u>	<u>29,070</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(345,199)</u>	<u>(110,545)</u>
Dividends (including dividends in respect of non equity shares)	9	(40,764)	(40,764)
LOSS FOR THE FINANCIAL YEAR		<u><u>(385,963)</u></u>	<u><u>(151,309)</u></u>

CONTINUING OPERATIONS

The above results are derived entirely from continuing activities

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current year or previous year and therefore no separate statement of total recognised gains and losses has been presented.

HISTORICAL COST

There are no material differences between the loss on ordinary activities before taxation and the loss for the years stated above and their historical cost equivalents.


The notes form part of these financial statements

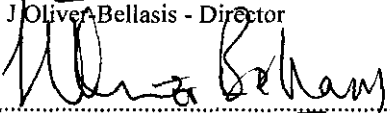
THE MANYDOWN COMPANY LIMITED

BALANCE SHEET 31 MARCH 2006

	Notes	31.3.06 £	£	31.3.05 £	£
FIXED ASSETS					
Intangible assets	10		-		2,400
Tangible assets	11		1,842,493		1,823,850
Investments	12		<u>77,030</u>		<u>150,100</u>
			1,919,523		1,976,350
CURRENT ASSETS					
Stocks	13	512,166		494,806	
Debtors	14	598,326		303,147	
Investments	15	904,977		1,180,145	
Cash at bank and in hand		<u>55,901</u>		<u>20,950</u>	
		2,071,370		1,999,048	
CREDITORS					
Amounts falling due within one year	16	<u>(772,670)</u>		<u>(442,280)</u>	
NET CURRENT ASSETS			<u>1,298,700</u>		<u>1,556,768</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,218,223		3,533,118
CREDITORS					
Amounts falling due after more than one year	17		<u>(796,590)</u>		<u>(725,522)</u>
NET ASSETS			<u>2,421,633</u>		<u>2,807,596</u>
CAPITAL AND RESERVES					
Called up share capital	21		300,400		300,400
Profit and loss account	25		<u>2,121,233</u>		<u>2,507,196</u>
SHAREHOLDERS' FUNDS	26		<u>2,421,633</u>		<u>2,807,596</u>
Shareholders' Funds are divided between:					
Equity shareholders' funds			2,421,233		2,807,196
Non-equity shareholders' funds			<u>400</u>		<u>400</u>
			<u>2,421,633</u>		<u>2,807,596</u>

The financial statements on pages 5 to 16 were approved by the board of directors on 1st September 2006 and were signed on its behalf by:


C A J Oliver-Bellasis - Director


H R Oliver-Bellasis - Director

The notes form part of these financial statements

THE MANYDOWN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2006**

1. ACCOUNTING POLICIES

Accounting convention

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable Accounting Standards in the United Kingdom.

Exemption from preparing consolidated financial statements

The financial statements contain information about The Manydown Company Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements as the group it heads qualifies as a small sized group.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied, together with Arable Area Payments and similar payments receivable under the European Union Common Agricultural Policy.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of fixed assets on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Freehold improvements	2.5% and 20%
Machinery, implements and vehicles	20%

No depreciation has been provided on freehold land and buildings, as this comprises mostly freehold land. Had depreciation been provided on these assets the amount would not have been material.

Stocks

Stocks, which are valued by professionally qualified independent farm valuers, are stated at the lower of cost and net realisable value. The cost of crops, produce in store and livestock is determined by cost of production. The cost of purchased fertilisers, sprays, seeds, feed, oil and stores is based on purchase price. Cultivations are calculated by reference to Central association of Agricultural Valuers statistics.

Deferred tax

Provision is made for deferred taxation, using the full provision method on an undiscounted basis, on all material timing differences. Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future.

An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred. Where fixed assets are financed by leasing and hire purchase agreements which transfer to the company substantially all the benefits and risks of ownership, the assets are treated as if they have been purchased outright.

The assets are included in tangible fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases or hire purchase. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the profit and loss account on a straight line basis.

Assets held under finance leases are depreciated over the shorter of the lease terms or hire purchase agreement and the useful lives of equivalent owned assets.

THE MANYDOWN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2006**

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account. The company provides no other post retirement benefits to employees.

Cash flow

The company has taken advantage of exemptions under Financial Reporting Standard 1 (Revised), "Cash Flow Statements" not to include a cash flow statement. Accordingly, a cash flow statement is not included within these financial statements.

2. TURNOVER

Turnover consists solely of the management of a farming estate within the United Kingdom.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.3.06	31.3.05
	£	£
Interest from loans to subsidiary undertaking	36,376	33,009
Income from current asset investments	17,102	26,149
Realised profit on sale of investments and unrealised profit on value of portfolio	63,605	132,640
Bank and other interest receivable	429	1,644
	<u>117,512</u>	<u>193,442</u>

4. STAFF COSTS

	31.3.06	31.3.05
	£	£
Wages and salaries	682,849	645,433
Social security costs	66,150	60,763
Other pension costs	17,109	17,289
	<u>766,108</u>	<u>723,485</u>

The average monthly number of employees during the year was as follows:

	31.3.06	31.3.05
	£	£
Directors	5	5
Management	2	2
Farm and estate	24	26
	<u>31</u>	<u>33</u>

THE MANYDOWN COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 MARCH 2006**5. DIRECTORS' EMOLUMENTS**

	31.3.06 £	31.3.05 £
Aggregate emoluments	214,576	196,512
Company pension contributions to money purchase schemes	5,498	5,498
	<u>220,074</u>	<u>202,010</u>
 Highest paid director	 31.3.06 £	
Aggregate emoluments	66,909	
Company pension contributions to money purchase schemes	4,868	
	<u>71,777</u>	

6. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	31.3.06 £	31.3.05 £
Loss on ordinary activities before taxation is stated after crediting/(charging):		
Revenue payments receivable under the European Union Common Agricultural Policy	274,000	298,391
Profit on disposal of tangible fixed assets	36,611	45,250
Rent receivable	563,049	535,986
Depreciation charge for the year:		
Tangible owned fixed assets	(151,959)	(154,284)
Tangible fixed assets held under finance and hire purchase contracts	(55,820)	(54,087)
Auditors' remuneration for audit	(21,950)	(22,500)
Amounts provided against amounts owed by group companies	(23,033)	(25,276)
Hire of other assets – operating leases	(110,000)	(110,000)

7. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.06 £	31.3.05 £
Bank loans	75,750	75,750
Hire purchase	8,669	11,207
Finance leases	916	1,483
	<u>85,335</u>	<u>88,440</u>

THE MANYDOWN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2006**

8. TAXATION

	31.3.06 £	31.3.05 £
Current tax		
UK Corporation tax charge for the year	12,645	-
Adjustment in respect of previous years	32,670	(29,070)
Tax charge/(credit) on loss on ordinary activities	45,315	(29,070)

Adjustment to the tax charge in respect of previous years includes provision considered prudent in respect of enquiries received from H M Revenue and Customs regarding availability of losses arising in prior periods (see note 27).

The tax assessed for the year is different than the small companies rate of corporation tax in the UK (19%) (2005: 19%). The differences are explained below:

	31.3.06 £	31.3.05 £
Loss on ordinary activities before tax	(299,884)	(139,615)
Loss on ordinary activities multiplied by small companies rate in the UK (19%)	(56,978)	(26,527)
Effects of:		
Expenses/(income) not deductible/(chargeable) for tax purposes	23,387	(38,563)
Accelerated capital allowances and other timing differences	53,148	65,090
Group relief claimed	(6,912)	-
Prior year adjustments	32,670	(29,070)
Current tax charge/(credit)	45,315	(29,070)

9. DIVIDENDS

	31.03.06 £	31.03.05 £
Dividends on non-equity shares: Interim preference dividends paid:		
D shares - £60.12 per share (2005: £60.12)	6,012	6,012
E shares - £149.92 per share (2005 : £149.92)	14,992	14,992
F shares - £47.68 per share (2005 : £47.68)	4,768	4,768
G shares - £149.92 per share (2005 : £149.92)	14,992	14,992
	40,764	40,764

10. INTANGIBLE FIXED ASSETS

	Suckler cow quota £
COST	
At 1 April 2005	2,400
Disposals	(2,400)
At 31 March 2006	-
NET BOOK VALUE	
At 31 March 2006	-
At 31 March 2005	2,400

THE MANYDOWN COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2006****11. TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Plant and machinery £	Beef herd £	Totals £
COST					
At 1 April 2005	511,264	1,533,634	1,671,065	167,148	3,883,111
Additions	-	2,496	217,181	8,500	228,177
Disposals	-	-	(94,775)	-	(94,775)
At 31 March 2006	<u>511,264</u>	<u>1,536,130</u>	<u>1,793,471</u>	<u>175,648</u>	<u>4,016,513</u>
DEPRECIATION					
At 1 April 2005	-	800,153	1,259,108	-	2,059,261
Charge for year	-	32,799	174,980	-	207,779
Eliminated on disposal	-	-	(93,020)	-	(93,020)
At 31 March 2006	-	<u>832,952</u>	<u>1,341,068</u>	-	<u>2,174,020</u>
NET BOOK VALUE					
At 31 March 2006	<u>511,264</u>	<u>703,178</u>	<u>452,403</u>	<u>175,648</u>	<u>1,842,493</u>
At 31 March 2005	<u>511,264</u>	<u>733,481</u>	<u>411,957</u>	<u>167,148</u>	<u>1,823,850</u>

Included in cost of land and buildings is freehold land of £511,264 (2005: £511,264) which is not depreciated.

The net book value of tangible fixed assets includes £nil (2005: £nil) in respect of assets held under finance leases and £292,269 (2005: £229,930) in respect of assets held under hire purchase contracts.

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Other fixed asset investments £	Total £
COST			
At 1 April 2005 and 31 March 2006	<u>100</u>	<u>150,000</u>	<u>150,100</u>
PROVISIONS			
At 1 April 2005	-	-	-
Provision in the year	-	<u>73,070</u>	<u>73,070</u>
At 31 March 2006	-	<u>73,070</u>	<u>73,070</u>
NET BOOK VALUE			
At 31 March 2006	<u>100</u>	<u>76,930</u>	<u>77,030</u>
At 31 March 2005	<u>100</u>	<u>150,000</u>	<u>150,100</u>

THE MANYDOWN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2006**

Interests in group undertakings

Details of the subsidiary undertakings are as follows:

Name of company	Description of Shares held	Proportion nominal value of shares held %
Manydown Properties Limited	Ordinary £1 shares	100
Downsite Limited	Ordinary £1 shares	100
Halls Farm Management Company Limited	Ordinary £1 shares	100

All the above companies are registered in England and Wales. Downsite Limited and Halls Farm Management Company Limited are wholly owned by Manydown Properties Limited.

Manydown Properties Limited's principal activity is that of property dealing. Manydown Properties Limited reported a loss of £28,155 for the year ended 31 March 2006 (2005: loss of £20,154). At 31 March 2006 Manydown Properties Limited had a deficit on aggregate capital and reserves of £285,437 (2005: deficit of £257,282).

Downsite Limited's principal activity is that of property dealing, but the company remained dormant throughout the year ended 31 March 2006. At 31 March 2006, Downsite Limited had aggregate capital and reserves of £67 (2005: £67).

Halls Farm Management Company Limited's principal activity is that of property management but the company has not traded since incorporation. At 31 March 2006, Halls Farm Management Company Limited had aggregate capital and reserves of £2 (2005: £2).

The balance due from Manydown Properties Limited has been provided for in part (see note 14).

Other fixed asset investments includes £150,000 invested in United Bulbs Limited (previously United Farmaceuticals Limited) in return for 500 ordinary shares of 10p each. This generates an interest in the company of 4.9%, which is non-controlling. Hugh Oliver-Bellasis, who is a director and shareholder of The Manydown Company Limited is also a director of United Bulbs Limited. A provision has been made this year to write down the carrying amount of this investment to its anticipated net realisable amount based on the net assets of United Bulbs Limited.

13. STOCKS

	31.3.06	31.3.05
	£	£
Livestock	119,443	111,914
Deadstock	337,008	343,842
Sundry stocks	<u>55,715</u>	<u>39,050</u>
	<u>512,166</u>	<u>494,806</u>

THE MANYDOWN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2006

14. DEBTORS

	31.3.06	31.3.05
	£	£
Trade debtors	427,466	125,748
Amounts owed by group companies:		
Manydown Properties Limited	393,004	356,628
Less: provision for irrecoverable amounts	(285,437)	(262,404)
Other debtors	3,714	28,479
Prepayments and accrued income	59,579	54,696
	<u>598,326</u>	<u>303,147</u>

15. CURRENT ASSET INVESTMENTS

	31.3.06	31.3.05
	£	£
Listed investments	904,511	1,179,679
Unlisted investments	466	466
	<u>904,977</u>	<u>1,180,145</u>

The current asset investments are stated at the lower of cost of net realisable value.

Listed securities originally costing £691,330 (2005: £1,020,927) with a market value of £878,114 (2005: £1,008,730) are included in the current asset investments.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.06	31.3.05
	£	£
Bank loans and overdrafts (see note 18)	307,524	32,611
Hire purchase contracts (see note 19)	61,696	62,309
Trade creditors	180,269	179,865
Other creditors	69,178	51,636
Accruals and deferred income	108,688	115,859
Corporation tax	45,315	-
	<u>772,670</u>	<u>442,280</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.06	31.3.05
	£	£
Bank loans (see note 18)	650,000	650,000
Hire purchase contracts (see note 19)	146,590	75,522
	<u>796,590</u>	<u>725,522</u>

THE MANYDOWN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2006**

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

The long term loan is the aggregate of £250,000 and £400,000 which are subject to fixed rates of interest of 10.95% and 12% per annum respectively. £250,000 is repayable in full in 2014 and £400,000 is repayable in full in 2022. The loan is secured on the freehold land known as Whitedown Farm, comprising approximately 360 acres. Repayment of £200,000 of the loan is being financed by an endowment insurance policy, the annual cost of which is being expensed. No adjustment is made for the accruing benefits under the policy which will be recognised on maturity.

18. LOANS

An analysis of the maturity of loans is given below:

	31.3.06 £	31.3.05 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>307,524</u>	<u>32,611</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Long term loan (secured)	<u>650,000</u>	<u>650,000</u>

19. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	31.3.06 £	31.3.05 £
Net obligations repayable:		
Within one year	61,696	62,309
Between one and five years	<u>146,590</u>	<u>75,522</u>
	<u>208,286</u>	<u>137,831</u>

20. PROVISIONS FOR LIABILITIES

Deferred taxation provided in the financial statements and the amount unprovided, are as follows:

	31.03.06 £	Amount provided 31.03.05 £	31.03.06 £	Amount unprovided 31.03.05 £
Deferred tax asset/(liability)				
Tax losses carried forward	-	-	288,411	240,970
Accelerated capital allowances	-	-	<u>22,500</u>	<u>22,500</u>
	-	-	<u>310,911</u>	<u>263,470</u>

THE MANYDOWN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 MARCH 2006**

21. CALLED UP SHARE CAPITAL

Authorised and allotted Ordinary shares	Allotted, called up and fully paid £1 shares		Authorised £1 shares	
	31.03.06 £	31.03.05 £	31.03.06 £	31.03.05 £
'A' shares	-	-	300,000	300,000
'B' shares	195,000	195,000	195,000	195,000
'C' shares	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>
	<u>300,000</u>	<u>300,000</u>	<u>600,000</u>	<u>600,000</u>
Authorised and allotted Preference shares of £1 each				
'D' shares	100	100	100	100
'E' shares	100	100	100	100
'F' shares	100	100	100	100
'G' shares	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
	<u>400</u>	<u>400</u>	<u>400</u>	<u>400</u>
Total share capital	<u>300,400</u>	<u>300,400</u>	<u>600,400</u>	<u>600,400</u>

The preference shares have no fixed rate of dividend, the dividend being determined by the directors for each year and for each class of share individually. On winding up of the company, the preference shares have the right to receive the nominal amount of capital paid up on each share after the ordinary shares. The holders of the preference shares have no right to attend or vote at general meetings of the company.

22. OTHER FINANCIAL COMMITMENTS

At 31 March 2006, the company had no capital commitments. During the year ended 31 March 1996, the company sold 2000 acres and entered an agreement to lease back the land for agricultural use for a period of 99 years. Therefore the company is committed to paying rental for this land for the period of the lease. The annual rental is £110,000.

23. RELATED PARTY DISCLOSURES

Related party transactions entered in to by The Manydown Company Limited are as follows:

CAJ Oliver-Bellasis and HR Oliver-Bellasis are both directors of the subsidiary company Manydown Properties Limited. The inter-company balance and its provision are disclosed in note 14. Transactions with the company are for interest payments and the increase in the provision against the debt, amounting to £36,376 (2005: £33,009) and £23,033 (2005: £25,276) respectively.

HR Oliver-Bellasis is a director of, and shareholder in United Bulbs Limited (previously United Pharmaceuticals Limited), in which The Manydown Company Limited has an investment holding. During the year sales were made to United Bulbs Limited to the value of £7,527 (2005: £17,460) and purchases of £98 (2005: £nil). There was a year end creditor of £98 (2005: £nil) and no year end debtor (2005: £nil).

THE MANYDOWN COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2006

24. **ULTIMATE CONTROLLING PARTY**

The company is controlled by the Oliver-Bellasis family interests by virtue of majority shareholdings.

25. **RESERVES**

	Profit and loss account £
At 1 April 2005	2,507,196
Loss for the year	(345,199)
Dividends	<u>(40,764)</u>
At 31 March 2006	<u><u>2,121,233</u></u>

26. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31.3.06 £	31.3.05 £
Loss for the financial year	(345,199)	(110,545)
Dividends	<u>(40,764)</u>	<u>(40,764)</u>
Net reduction of shareholders' funds	(385,963)	(151,309)
Opening shareholders' funds	<u><u>2,807,596</u></u>	<u><u>2,958,905</u></u>
Closing shareholders' funds	<u><u>2,421,633</u></u>	<u><u>2,807,596</u></u>

27. **CONTINGENT LIABILITIES**

As stated in note 8 adjustments to the tax charge have been made in respect of previous years due to enquiries received from H M Revenue and Customs regarding the utilisation of farm losses. The company has corresponded with H M Inspector of taxes regarding the treatment of these losses and provision has been made based on those representations. The enquiry however is still ongoing. Any further adjustments to the corporation tax liability associated with resolution of the enquiries cannot be reliably measured at this time.