

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994
FOR
LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)



LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

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LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

COMPANY INFORMATION

DIRECTORS: The Honourable Alexander George,
Seventh Marquess of Bath

Anna Maria Abigail,
The Marchionness of Bath

Richard Anthony Griffiths

SECRETARY: Richard Anthony Griffiths
(Resigned 15 December 1994)

T R W Moore
(Appointed 15 December 1994)

REGISTERED OFFICE: Longleat Estate Office
Longleat
Warminster
Wiltshire BA12 7NW

REGISTERED NUMBER: 789512

AUDITORS: Smith & Williamson
Chartered Accountants
Old Library Chambers
21 Chipper Lane
Salisbury
Wiltshire SP1 1BG

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

REPORT OF THE DIRECTORS

The directors present their report with the audited financial statements of the company for the year ended 31 December 1994.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the management of cave exhibiting at Cheddar Gorge, tourist attractions at Longleat and associated business activities at both sites.

REVIEW OF BUSINESS DEVELOPMENT

The results for the year, financial position of the company, and recommended transfer to reserves are as shown in the annexed financial statements. The level of business increased satisfactorily and further expansion is anticipated in the current year following the take over of the business of Lions of Longleat Limited and The Seventh Marquess of Bath Longleat House (see note 23 on page 18).

DIVIDEND AND RESERVES

The directors recommend that no dividend be paid for the year (1993 - £NIL). The profit of £422,876 is transferred to reserves.

CHANGE OF STATUS

In accordance with a special resolution dated 17 May 1994, Longleat Enterprises was re-registered as a limited company on 21 June 1994.

FIXED ASSETS

Additions to fixed assets during the year amounted to £140,536. Significant purchases included computer equipment and artistic works. Land including Jacobs Ladder were sold to Lord Bath during the year. On the 31 December 1994 the business of Lions of Longleat Limited and The Seventh Marquess of Bath Longleat House were taken over by Longleat Enterprises Limited including the majority of fixed assets from each business.

DIRECTORS

The directors in office during the year and their beneficial interests in the issued share capital were as follows:

Name	Class of Capital	1994	1993
----	-----	----	----
The Honourable Alexander George, Seventh Marquess of Bath	Ordinary Shares £1	144,998	144,998
Anna Maria Abigail, The Marchionness of Bath	Ordinary Shares £1	-	-
Richard Anthony Griffiths	Ordinary Shares £1	2	1

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period 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.

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

REPORT OF THE DIRECTORS

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.

DONATIONS

The company made charitable donations of £20 and political donations of £Nil during the year.

AUDITORS

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

ON BEHALF OF THE BOARD:

Director
The Honourable Alexander George, Seventh Marquess of Bath

Dated:

18-9-95

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
LONGLEAT ENTERPRISES LIMITED

We have audited the financial statements on pages 5 to 18 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 9 and 10.

Respective responsibilities of directors and auditors

As described on pages 2 and 3 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SMITH & WILLIAMSON

Chartered Accountants
Registered Auditor
Old Library Chambers
21 Chipper Lane
Salisbury
Wiltshire SP1 1BG

20 October 1995

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1994

	Notes	1994	1993
		£	£
TURNOVER	2	2,176,161	1,961,793
Cost of sales		658,361	662,891
GROSS PROFIT		1,517,800	1,298,902
Administrative expenses		948,701	863,251
Other operating charges		377,216	309,922
		-----	-----
		1,325,917	1,173,173
		-----	-----
		191,883	125,729
Other operating income	3	248,242	203,611
OPERATING PROFIT	5	440,125	329,340
Exceptional item	7	150,276	-
		-----	-----
		590,401	329,340
Bank interest receivable		30,640	17,263
		-----	-----
		621,041	346,603
Interest payable and similar charges	8	1,350	268
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		619,691	346,335
Tax on profit on ordinary activities	9	196,815	128,694
PROFIT FOR THE YEAR	18	422,876	217,641
PROFIT AND LOSS ACCOUNT BROUGHT FORWARD		1,727,358	1,509,717
		-----	-----
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		£2,150,234	£1,727,358
		=====	=====

All activities are considered to be continuing.

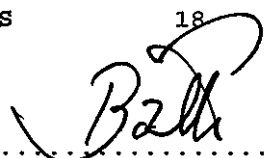
There were no recognised gains or losses other than those reflected above.

The notes form part of these financial statements

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

BALANCE SHEET
AT 31 DECEMBER 1994

	Notes	1994	1993
		£	£
FIXED ASSETS			
Intangible assets	10	105,000	112,500
Tangible assets	11	1,830,445	1,337,880
		-----	-----
		1,935,445	1,450,380
CURRENT ASSETS			
Stock - goods for resale		201,601	80,032
Debtors	12	364,961	219,219
Cash at bank and in hand		1,066,956	619,338
		-----	-----
		1,633,518	918,589
CREDITORS: Amounts falling due within one year			
	13	718,206	449,569
		-----	-----
NET CURRENT ASSETS		915,312	469,020
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		2,850,757	1,919,400
CREDITORS: Amounts falling due after more than one year			
	14	(451,493)	-
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	16	(104,030)	(47,042)
		-----	-----
		£2,295,234	£1,872,358
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	17	145,000	145,000
Profit and loss account		2,150,234	1,727,358
		-----	-----
SHAREHOLDERS' FUNDS	18	£2,295,234	£1,872,358
		=====	=====

Director 
The Honourable Alexander George, Seventh Marquess of Bath

Approved by the Board on 18-9-95.....

The notes form part of these financial statements

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 1994

	Notes	1994	1993
		£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	A	1,082,301	497,432
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		30,640	17,263
Interest paid		(1,350)	(461)
Interest element of finance lease rentals		-	193
		-----	-----
NET CASH INFLOW FROM INVESTMENTS AND SERVICING OF FINANCE		29,290	16,995
TAXATION - Income tax paid at source		(282)	(20)
- Corporation tax paid		(131,604)	(67,205)
- Corporation tax received		8,359	-
		-----	-----
		(123,527)	(67,225)
INVESTING ACTIVITIES			
Sales of tangible fixed assets (including exceptional item in 1994 of £173,631)		177,130	5,093
Payments to acquire tangible fixed assets			
- normal additions during the year		(140,536)	(83,407)
- on business transfer at year end		(562,017)	-
		-----	-----
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(525,423)	(78,314)
		-----	-----
NET CASH INFLOW BEFORE FINANCING		462,641	368,888
FINANCING		-	-
		-----	-----
INCREASE IN CASH AND CASH EQUIVALENTS	B	£462,641	£368,888
		=====	=====

The notes on page 8 form part of this statement

LONGLLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 1994

A. RECONCILIATION OF OPERATING PROFIT
TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1994	1993
	£	£
Operating profit	440,125	329,340
Depreciation - owned assets	183,998	168,787
Amortisation	7,500	7,500
Profit on asset disposals	(864)	(2,170)
Increase in stock	(121,569)	(31,723)
Increase in debtors	(154,101)	(73,020)
Increase in creditors falling due within one year	275,719	98,718
Increase in creditors falling due after more than one year	451,493	-
	-----	-----
NET CASH INFLOW FROM OPERATING ACTIVITIES	£1,082,301	£497,432
	=====	=====

B. ANALYSIS OF INCREASE IN CASH AND
CASH EQUIVALENTS

	1994	1993
	£	£
Balance at 1 January 1994	574,124	205,236
Net cash inflow	462,641	368,888
	-----	-----
BALANCE AT 31 DECEMBER 1994	£1,036,765	£574,124
	=====	=====

C. ANALYSIS OF THE BALANCES OF CASH
AND CASH EQUIVALENTS

	1994	1993	1992
	£	£	£
Cash at bank and in hand	1,066,956	619,338	224,597
Bank overdraft	(30,191)	(45,214)	(19,361)
	-----	-----	-----
	£1,036,765	£574,124	£205,236
	=====	=====	=====

LONGLLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Stock

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

Intangible fixed assets

The life interest in settled land at Cheddar is amortised over the expected life of the life in question.

Tangible fixed assets

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold land and buildings	-	over life of the lease
Locomotive engines	-	20% on cost
Exhibition fixtures	-	20% on cost
Equipment	-	20% on cost
Boats	-	10% on cost
Furniture and fixtures	-	10-20% on cost
Motor vehicles	-	20% on cost
Computers	-	20% on cost

Artistic works are included at cost and no depreciation is provided since the directors consider these assets to be worth at least as much as their book value.

Animals are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. Any deficit in excess of the balance on revaluation reserve is dealt with through the profit and loss account. No depreciation is provided in respect of these assets.

Since 1988, depreciation has been provided on buildings, but only those of timber construction, at rates ranging from 2 1/2% to 20% on the straight line basis. The company is therefore not complying with Statement of Standard Accounting Practice number 12 which states that all assets with a limited life should be depreciated. However, it is the company's policy to maintain all its property in a good state of repair.

Deferred taxation

Provision is made for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not crystallise in the foreseeable future. Tax is provided at the rate at which timing differences are expected to reverse.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet and are depreciated over their useful lives.

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

Pension costs

The company operates a defined benefit pension scheme, which requires contributions to be made to a separately administered fund. Contributions to the fund are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives within the company. Further information is given in note 21 below.

2. TURNOVER

Turnover represents net invoiced sales of goods, excluding value added tax.

The turnover and profit before taxation are attributable to the one principal activity of the company and are derived entirely within the United Kingdom.

3. OTHER OPERATING INCOME	1994	1993
	£	£
Discounts received	163	246
Rents receivable	116,156	108,467
Management fees received	123,723	89,888
Grants received	8,200	5,010
	-----	-----
	248,242	203,611
	=====	=====

4. STAFF COSTS	1994	1993
	£	£
Wages and salaries	591,209	600,405
Social security costs	36,418	38,688
Other pension costs	8,605	8,103
	-----	-----
	636,232	647,196
	=====	=====

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

	1994	1993
In trading activities	61	59
In administration	10	12
	===	===

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	1994	1993
	£	£
Hire of plant and machinery	16,276	12,094
Directors' remuneration (see also note 6)	12,021	111,082
Depreciation - owned assets	183,998	168,787
Amortisation of life interest in settled land	7,500	7,500
Profit on disposal of fixed assets	(864)	(2,170)
Auditors' remuneration	13,200	16,062
	=====	=====

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

	1994	1993
	£	£
6. DIRECTORS' EMOLUMENTS		
Directors' emoluments including estimated value of benefits in kind	19,127	119,445
	=====	=====

Emoluments of the highest paid director were £11,330 (1993:£111,696). Other directors' emoluments fell within the following ranges:

	1994	1993
	No.	No.
£0 - £ 5,000	1	2
£5,001 - £10,000	1	1
	=====	=====

7. EXCEPTIONAL ITEM

	1994	1993
	£	£
Surplus on disposal of part of the company's freehold property (see also note 22)	150,276	-
	=====	=====

There was no tax charge arising from this disposal.

8. INTEREST PAYABLE AND SIMILAR CHARGES

	1994	1993
	£	£
Bank loans, overdrafts and other loans repayable within five years	1,350	461
Finance leases	-	(193)
	-----	-----
	1,350	268
	=====	=====

9. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1994	1993
	£	£
Based on the adjusted results of the year:		
UK corporation tax at 32% (1993 32%)	139,545	131,604
Income tax deducted at source	282	20
Deferred taxation (see note 16)	56,988	(2,930)
	-----	-----
	196,815	128,694
	=====	=====

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

10. INTANGIBLE FIXED ASSETS

	£
Interest in settled land at Cheddar for the life of The Honourable Marquess of Bath, as valued by Messrs. Saville & Sons in February 1964	120,000

AMORTISATION	
At 1 January 1994	7,500
Charge for the year	7,500

At 31 December 1994	15,000

NET BOOK VALUES	
At 31 December 1994	£105,000
	=====
At 31 December 1993	£112,500
	=====

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

11. TANGIBLE FIXED ASSETS

	Short leasehold land and buildings	Freehold land and buildings	Loco- motive engines	Exhibi- tion fixtures	Equip- ment	Artistic works	Animals
	£	£	£	£	£	£	£
COST							
As at 1 January 1994	-	1,236,900	28,819	141,656	223,982	150,321	-
Additions	-	550	32	-	6,303	34,853	-
Disposals	-	(23,355)	-	-	(7,435)	-	-
From business transfer	140,000	2,800	-	-	133,146	6,000	99,240
	140,000	1,216,895	28,851	141,656	355,996	191,174	99,240
DEPRECIATION							
As at 1 January 1994	-	316,018	23,162	79,632	139,567	-	-
Charge for year	-	50,348	2,490	28,331	42,364	-	-
Eliminated on disposals	-	-	-	-	(6,478)	-	-
	-	366,366	25,652	107,963	175,453	-	-
NET BOOK VALUES							
As at 31 December 1994	£140,000	£850,529	£3,199	£33,693	£180,543	£191,174	£99,240
As at 31 December 1993	£-	£920,882	£5,657	£62,024	£84,415	£150,321	£-

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

	Boats	Furniture and fixtures	Motor vehicles	Computers	Totals
	£	£	£	£	£
COST					
As at 1 January 1994	-	174,836	46,458	84,601	2,087,573
Additions	-	19,222	13,675	65,901	140,536
Disposals	-	(855)	(4,195)	-	(35,840)
From business transfer	24,653	38,632	117,546	-	562,017
	24,653	231,835	173,484	150,502	2,754,286
DEPRECIATION					
As at 1 January 1994	-	111,465	28,396	51,453	749,693
Charge for year	-	23,094	7,980	29,391	183,998
Eliminated on disposals	-	(855)	(2,517)	-	(9,850)
	-	133,704	33,859	80,844	923,841
NET BOOK VALUES					
As at 31 December 1994	£24,653	£98,131	£139,625	£69,658	£1,830,445
As at 31 December 1993	£-	£63,371	£18,062	£33,148	£1,337,880

The gross amount of non-depreciated assets included in freehold land and buildings above is £605,949 (1993:£628,753).

LONGLLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

12. DEBTORS

	1994	1993
	£	£
Trade debtors	43,644	48,244
Other debtors	8,430	14,424
Prepayments and accrued income	283,437	77,274
Trustees of Ceawlin's Fund	5,561	15,673
The Seventh Marquess of Bath		
Longleat Estate (see note 22)	-	49,957
Lions of Longleat Limited (see note 22)	2,639	5,288
The Seventh Marquess of Bath		
Longleat House (see note 22)	21,250	-
Corporation tax recoverable	-	8,359
	-----	-----
	364,961	219,219
	=====	=====

13. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1994	1993
	£	£
Bank overdraft	30,191	45,214
Trade creditors	47,569	71,056
Lease commitments (see note 15)	2,828	-
Sundry creditors	1,917	4,626
Accruals and deferred income	97,995	157,419
Other tax and social security	27,815	12,821
Corporation tax	139,545	131,604
Loan account- The Seventh Marquess of Bath	-	3,642
Executors of The Sixth Marquess of Bath	16,916	16,916
The Seventh Marquess of Bath		
Longleat House (see note 22)	-	6,271
The Seventh Marquess of Bath		
Longleat Estate (see note 22)	12,872	-
The Seventh Marquess of Bath Longleat		
House - Business transfer loan	340,558	-
	-----	-----
	718,206	449,569
	=====	=====

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

	1994	1993
	£	£
Lease commitments (see note 15)	2,252	-
Lions of Longleat Limited - Business		
transfer loan	449,241	-
	-----	-----
	451,493	-
	=====	=====

LONGLLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

15. LEASE COMMITMENTS

The maturity of amounts due under finance leases is as follows:

	1994	1993
	£	£
Amounts payable:		
Within one year	3,420	-
Within two to five years	2,478	-
Finance charges allocated to future periods	(818)	-
	-----	-----
	5,080	-
	=====	=====
Analysed as:		
Current obligations (see note 13)	2,828	-
Non-current obligations (see note 14)	2,252	-
	-----	-----
	5,080	-
	=====	=====

Annual commitments under operating leases are as follows:

	Land and Buildings	Animals
	£	£
Operating leases which expire:		
Within one year	13,500	-
Between two and five years	-	18,000
Over five years	135,560	-
	=====	=====

16. DEFERRED TAXATION

	1994	1993
	£	£
Deferred taxation provided in the financial statements is as follows:		
Accelerated capital allowances	104,030	47,042
	=====	=====
The liability is calculated at 32%.		
There is no unprovided deferred taxation (1993:£Nil).		
Deferred taxation at 1 January 1994	47,042	49,972
Increase/(release) of provision	56,988	(2,930)
	-----	-----
At 31 December 1994	104,030	47,042
	=====	=====

LONGLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

17. SHARE CAPITAL

		1994	1993
		£	£
Authorised:			
Number:	Class: Nominal Value:		
250,000	Ordinary shares £1	250,000	250,000
		=====	=====
Allotted, issued and fully paid:			
Number:	Class: Nominal Value:		
145,000	Ordinary shares £1	145,000	145,000
		=====	=====

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994	1993
	£	£
Profit for the year	422,876	217,641
Opening shareholders' funds	1,872,358	1,654,717
	-----	-----
Closing shareholders' funds	2,295,234	1,872,358
	=====	=====
Equity Interests	2,295,234	1,872,358
	=====	=====

19. CAPITAL COMMITMENTS

At 31 December 1994 the company had contracted for capital expenditure in respect of further computer equipment of approximately £26,132.

Also the company was committed to paying £25,000 as its share of the new fire protection systems for Longleat House.

There were no capital commitments at 31 December 1993.

20. CONTINGENT LIABILITIES

On the eventual death of the Marquess of Bath the Company's interest *pur autre vie* in the assets owned by the Trustees of the Bath Settled Estates will revert to the Trustees without recompense to the Company. However the Company is the tenant of those properties under a lease dated 10 February 1995 under which the term is 50 years and a market rent is payable, *inter alia*, from the death of the Marquess of Bath.

21. PENSION COMMITMENTS

The company operates a funded defined benefit pension scheme. The pension charge for the period is £8,605 (1993:£8,103). The most recent actuarial valuation at 1 July 1993, shows the market value of the scheme as £1,220,670 and this represented a funding value of 131%. The valuation was prepared by an independent professionally qualified actuary.

The actuarial method used was the Projected Unit Method and the principal assumptions were as follows:-

Average rate of interest	8% per annum
Rate of salary increases	7% per annum

LONGLLEAT ENTERPRISES LIMITED
(Formerly Longleat Enterprises)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1994

22. RELATED PARTY TRANSACTIONS

The Honourable Alexander George, Seventh Marquess of Bath, who is a director, had a material interest in numerous transactions during the year. Transactions were made on many occasions with The Seventh Marquess of Bath Longleat Estate, a trust of which the above director is a life tenant, The Seventh Marquess of Bath Longleat House, being a personal business of the same director and Lions of Longleat Limited, of which the same director is a member and director. Given the volume of such transactions, it is not practicable to calculate the total value of transactions in which the director had an interest. The directors are of the opinion that all transactions were carried out at market value and on an arms length basis.

In particular, property was sold during the year to the above director, realising a profit to the company of £150,276 which has been dealt with as an exceptional item. This property is now rented by the company.

23. POST BALANCE SHEET EVENTS

From 31 December 1994 the company assumed greater responsibility for commercial activities at Longleat and in particular took over the business and fixed assets of Lions of Longleat Limited and The Seventh Marquess of Bath Longleat House.

In addition, the company intends to increase its authorised share capital and issue a further 150,000 of £1 ordinary shares at par.