Registered no: 2403785

Glympton Farms Limited

Abbreviated accounts
for the period from 2 May 1997
to 31 December 1997

Report of the auditors to the directors of Glympton Farms Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 5, together with the annual financial statements of Glympton Farms Limited for the period ended 31 December 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of and Schedule 8A to the Companies Act 1985. It is our responsibility to form an independant opinion as to the company's entitlement to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and whether the abbreviated financial statements are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the annual financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the annual financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements to be delivered are properly prepared in accordance with those provisions.

Coopers & Lybrand

Coopers and Lybrand
Chartered Accountants and Registered Auditors
Reading: 16 July 1998

Glympton Farms Limited

Balance sheet at 31 December 1997

	Notes	31 December 1997 £	1 May 1997 £
Called up capital unpaid		-	1,000,000
Fixed assets			
Suckler cow quota		4,909	7,500
Tangible assets	2	285,397	358,897
		290,306	366,397
Current assets			
Stocks		390,579	451,173
Debtors		498,153	268,611
Cash at bank and in hand		462,391	53,129
		1,351,123	772,913
Creditors: amounts falling due within one year		(345,082)	(668,299)
Net current assets		1,006,041	104,614
Total assets less current liabilities		1,296,347	1,471,011
Creditors: amounts falling due after more than one year		(4,167)	(9,651)
Net assets		1,292,180	1,461,360
Capital and reserves			
Called up share capital	3	10,028,499	10,028,499
Profit and loss account		(8,736,319)	(8,567,139)
Equity shareholders' funds		1,292,180	1,461,360

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 16 July 1998 and were signed on its behalf by:

A D G Douglas
Director

Notes to the abbreviated balance sheet for the period ended 31 December 1997

Principal accounting policies

1 The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention using the going concern basis.

Turnover

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied, together with receipts due under the Common Agricultural Policy (CAP) Area Aid Scheme, and other associated CAP support payments.

Government grants

Grants are credited to the profit and loss account when received.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidential expenses of acquisition.

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

	%
Plant and machinery	20
Motor vehicles	25
Fixtures and fittings	20
Computer equipment	25

Notes to the abbreviated balance sheet for the period ended 31 December 1997

Finance leases and hire purchase

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 had 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 against profit on a straight line basis.
Assets held under finance leases and hire purchase agreements are depreciated over the shorter of the lease terms or hire purchase agreement and the useful lives of equivalent owned assets.

Stocks

Stocks, which are valued by professional farm valuers, are stated at the lower of cost and net realisable value.

The cost of crops in store and home produced livestock is determined by the cost of production. The cost of purchased livestock, fertilisers, sprays, seeds, feed, fuel and oil and stores is based on purchase price. Cultivations are calculated by reference to Central Association of Agricultural Valuers statistics.

Net realisable value is the price at which the stocks can be sold in the normal course of business after allowing for the costs of realisation.

Deferred taxation

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise. The potential deferred taxation asset is not recognised in the accounts.

Pension scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The company provides no other post retirement benefits to its employees.

Notes to the abbreviated balance sheet for the period ended 31 December 1997

Tangible fixed assets

2

	Total £
Cost	
At 2 May 1997	952,685
Additions	29,970
Disposals	(3,500)
At 31 December 1997	**979,155**
Depreciation	
At 2 May 1997	593,788
Charge for the period	103,470
Disposals	(3,500)
At 31 December 1997	**693,758**
Net book value	
At 31 December 1997	**285,397**
At 1 May 1997	358,897

The net book value of tangible fixed assets includes an amount of £83,577 (period ended 1 May 1997: £126,751) in respect of assets held under finance leases. Depreciation charged on these assets during the year amounted to £38,434 (period ended 1 May 1997: £91,742).

Called up share capital

3

		31 December 1997 £	1 May 1997 £
Authorised			
20,000,000 ordinary shares of £1 each		**20,000,000**	20,000,000
Allotted and called up			
10,028,499 ordinary shares of £1 each		**10,028,499**	10,028,499
Of which:	paid	**10,028,499**	9,028,499
	unpaid	-	1,000,000
		10,028,499	10,028,499