

BELGRAVE FARM LIMITED

Registered No: 2750987

REPORT &
FINANCIAL STATEMENTS

31ST DECEMBER 1996



BELGRAVE FARM LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1996

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BELGRAVE FARM LIMITED

DIRECTORS' REPORT

The directors submit their report together with the financial statements for the year ended 31st December 1996.

1. **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The Company trades in farming assets.

2. **DIRECTORS**

The directors of the Company during the year were:

T J Heywood
J O Hagger

3. **RESULTS AND DIVIDENDS**

The profit for the year after tax amounted to £45,000 (1995 - £1,000) and the directors propose that this be transferred to reserves.

The directors do not propose the payment of a dividend.

4. **DIRECTORS' INTERESTS IN SHARE CAPITAL**

None of the directors held an interest in the share or loan capital of the Company.

BELGRAVE FARM LIMITED

DIRECTORS' REPORT

5. **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board

Richard

Mrs S M Lord
Secretary

12 March 1997

REPORT OF THE AUDITORS TO THE MEMBERS OF
BELGRAVE FARM LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the directors' report on page 2 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 affairs of the Company as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Allwood Baird Hack

ALLWOOD BAIRD HACK
Chartered Accountants
Registered Auditors

37-43 White Friars
Chester
CH1 1QD

March 1997

BELGRAVE FARM LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1996

<u>Results of continuing operations:</u>	<u>Note</u>	<u>1996</u> <u>£000</u>	<u>1995</u> <u>£000</u>
<u>Turnover</u>		284	-
Cost of sales		(190)	-
Gross Profit		94	-
Administrative expenses		-	-
<u>Operating profit</u>		94	-
Interest payable	2	(23)	-
Interest receivable and similar income		1	1
<u>Profit on ordinary activities before taxation</u>		72	1
Taxation	4	(27)	-
<u>Profit on ordinary activities after taxation</u>	8	45	1

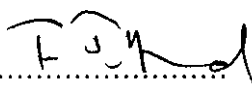
Total recognised gains and losses

There are no recognised gains or losses other than the profit for the year.

BELGRAVE FARM LIMITED**BALANCE SHEET****31ST DECEMBER 1996**

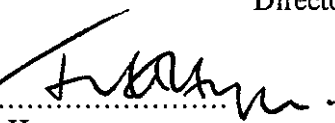
	<u>Notes</u>	<u>1996</u> <u>£000</u>	<u>1995</u> <u>£000</u>
<u>Current Assets</u>			
Stocks		311	111
Debtors	5	21	114
		<u>332</u>	<u>225</u>
<u>Creditors: Amounts falling due within one year</u>	6	(184)	(122)
<u>Net Current Assets</u>		<u>148</u>	<u>103</u>
<u>Capital and Reserves</u>			
Called up share capital	7	1	1
Profit and loss account	8	147	102
<u>Shareholders' Funds</u>	9	<u>148</u>	<u>103</u>

Approved by the Board on 12 March 1997



.....
T J Heywood

Directors



.....
J O Hagger

BELGRAVE FARM LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31ST DECEMBER 1996****1. ACCOUNTING POLICIES****(a) Basis of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act 1985 and applicable accounting standards.

(b) Stocks

Stocks of farming assets are stated at the lower of cost and net realisable value.

2. INTEREST PAYABLE

	<u>1996</u> <u>£000</u>	<u>1995</u> <u>£000</u>
On loan from ultimate parent company	23 <u> </u>	- <u> </u>

3. AVERAGE NUMBER OF EMPLOYEES

	<u>1996</u>	<u>1995</u>
The average number of part-time persons employed by the Company was	3 <u> </u>	3 <u> </u>

None of the employees received any remuneration during the period from this company.

4. TAXATION

	<u>1996</u> <u>£000</u>	<u>1995</u> <u>£000</u>
UK Corporation tax at 33% (1995:33%)	24	-
Prior year adjustment	3 <u> </u>	- <u> </u>
	27 <u> </u>	- <u> </u>

BELGRAVE FARM LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31ST DECEMBER 1996****5. DEBTORS**

	<u>1996</u> <u>£000</u>	<u>1995</u> <u>£000</u>
Amounts owed by group undertakings	21	-
Prepayments	-	114
	<u>21</u>	<u>114</u>

6. CREDITORS: Amounts falling due within one year

	<u>1996</u> <u>£000</u>	<u>1995</u> <u>£000</u>
Bank overdraft	-	81
Amounts due to group undertakings	160	41
UK corporation tax on profits	24	-
	<u>184</u>	<u>122</u>

The amount due to group undertakings at 31st December 1996 is £160,522 (1995 - £41,183) owing to Grosvenor Estate Holdings. This loan is unsecured and repayable on demand.

7. SHARE CAPITAL**Authorised
Issued and Fully Paid**

1,000 Ordinary shares of £1 each at 31st December 1995 and 1996	<u>£1,000</u>
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8. PROFIT AND LOSS ACCOUNT

	<u>1996</u> <u>£000</u>	<u>1995</u> <u>£000</u>
Balance at 1st January 1996	102	101
Profit for the period	45	1
	<u>147</u>	<u>102</u>

BELGRAVE FARM LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31ST DECEMBER 1996****RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<u>1996</u> <u>£000</u>	<u>1995</u> <u>£000</u>
Profit for the period	45	1
Opening shareholders' funds	103	102
	<hr/>	<hr/>
Closing shareholders' funds	148	103
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PARENT COMPANY

The parent company is Grosvenor Farms Limited, a company incorporated in England and Wales.

The ultimate parent company is Grosvenor Estate Holdings, an unlimited company incorporated in England and Wales.