

Askham Bryan College Estates Limited

Directors' report and financial statements

For the year ended 31 July 2002

Registered number 2800266



Askham Bryan College Estates Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1
Statements of directors' responsibilities	2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Reconciliation of movements in shareholders' funds	6
Notes	7-12

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 2002

Principal Activities

The principal activity of the Company is to provide a field study centre adjacent to Askham Bryan College for the benefit of students undertaking courses in agriculture. Produce grown on the farm is disposed of commercially.

Business Review

The results for the year are shown on page 4.

Proposed dividend

The Directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors who held office during the year were as follows:

P A Smith
J N Craddock (resigned 31.10.2002)
R Bennett (employed by College - resigned 31.10.2001)
F K Kendall (employed by College - resigned 31.10.2002)
G A Murdoch (employed by College - resigned 27.09.2002)
R T J Leather (resigned 31.10.2002)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

According to the register of directors' interests, no rights to subscribe for shares in, or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Political and charitable contributions

The Company made no political contributions or charitable donations during the year.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of RSM Robson Rhodes as auditors is to be proposed at the forthcoming Annual General Meeting.

By order of the Board.


J Fitzpatrick
Company Secretary

Askham Bryan College
Askham Bryan
YORK
YO23 3FR

Statement of 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 for that period. In preparing those financial statements, the directors have:

- * selected suitable accounting policies and applied them consistently;
- * made judgements and estimates that are reasonable and prudent;
- * followed applicable United Kingdom accounting standards; and
- * prepared the financial statements on the going concern basis.

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 of the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' reports and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom.

Independent auditors' report to the shareholders of Askham Bryan College Estates Limited

We have audited the financial statements on pages 4 to 12.

Respective responsibilities of directors and auditors

The responsibilities of the directors are set out in the statement on page 2

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

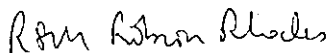
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 as at 31 July 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



RSM Robson Rhodes

Chartered Accountants

Registered Auditors

Leeds

(Date) 31-1-03

Askham Bryan College Estates Limited

Profit and loss account

For the year ended 31 July 2002

	Note	2002 £	Continuing operations 2001 £ (as restated)
Turnover	2	414,531	343,492
Cost of sales		(247,347)	(224,731)
Gross Profit		<u>167,184</u>	<u>118,761</u>
Administrative expenses		(213,734)	(189,600)
Trading Loss		<u>(46,550)</u>	<u>(70,839)</u>
Other operating income		86,887	1,991
Operating profit/(loss)		<u>40,337</u>	<u>(68,848)</u>
Other interest receivable and similar income	6	2,223	1,317
Exceptional credit arising from cancellation of Intercompany debt		0	422,703
Profit on ordinary activities before taxation		<u>42,560</u>	<u>355,172</u>
Tax on profit on ordinary activities	7	12,767	46,808
Retained profit for the financial year		<u>29,793</u>	<u>308,364</u>

There is no difference between the historical cost profit for the year, and the profit on ordinary activities for the year as stated above.

Statement of recognised gains and losses	2002 £	2001 £ (as restated)
Profit for the financial year	29,793	308,364
Prior year adjustment (as explained in note 13)	17,277	
Total gains and losses recognised since last annual report	<u>47,070"</u>	<u>308,364</u>

Askham Bryan College Estates Limited

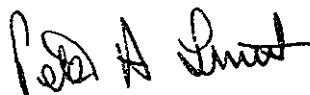
Balance sheet

at 31 July 2002

		2002		2001	
				(as restated)	
	Note	£	£	£	£
Fixed assets					
Tangible assets	8		91,412		45,701
Current assets					
Stocks	9	186,316		228,326	
Debtors	10	56,754		29,770	
Cash at bank and in hand		16,504		12,528	
		<u>259,574</u>		<u>270,624</u>	
Creditors: amounts falling due within one year	11	(51,038)		(58,937)	
Net current assets			<u>208,536</u>		<u>211,687</u>
Total assets less current liabilities			<u>299,948</u>		<u>257,388</u>
Creditors: amounts falling due after more than one year	12		(80,000)		(80,000)
Deferred tax asset	13		4,510		17,277
Net Assets			<u>224,458</u>		<u>194,665</u>
Capital and Reserves					
Called up share capital	14		15,001		15,001
Profit and loss account			209,457		179,664
Shareholders funds			<u>224,458</u>		<u>194,665</u>
Analysis of shareholders funds					
Equity interests			209,458		179,665
Non-equity interests			15,000		15,000
			<u>224,458</u>		<u>194,665</u>

These financial statements were approved by the board of directors on 21st November 2002 and were signed on its behalf by:

(Name)
Director



Askham Bryan College Estates Limited

	2002	2001 (as restated)
Reconciliation of movements in shareholders' funds		
<i>for the year ended 31 July 2002</i>		
	£	£
Recognised gains and losses relating to the year after dividends	<u>29,793</u>	<u>308,364</u>
Net addition to (deduction from) shareholders' funds	29,793	308,364
Opening shareholders' funds (2002 : originally £177,388 before adding prior year adjustment of £17,277)	194,665	(113,699)
Closing shareholders' funds	<u>224,458</u>	<u>194,665</u>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to prepare a cashflow statement on the grounds that the parent undertaking includes the company in its own published consolidated financial statements.

Fixed assets and depreciation

Depreciation is provided by the Company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and Machinery	8 - 10 years
Computer equipment	3 years

Leases

All leases are accounted for as "operating leases" and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

Stocks

Livestock, crops, fertilisers and sundry stock are valued as at the end of the financial year by Messrs. Tomlinsons based on total input costs plus maturity value.

Taxation

New accounting standard

FRS 19 'Deferred Tax' has been adopted for the first time in these financial statements. Comparative figures have been restated to be consistent with the new accounting policy for the deferred tax that is described below.

Deferred taxation

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by FRS 19.

Previously under SSAP 15 provision was only made for deferred taxation if it was probable that the tax would be paid in the foreseeable future.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year.

2 Analysis of turnover and profit on ordinary activities before taxation

The whole of the turnover and profit before taxation arose in the UK and resulted from the company's main activity.

Notes (continued)

3 Profit on ordinary activities before taxation

<i>Profit on ordinary activities before taxation is stated</i>	2002	2001
<i>after charging</i>		
	£	£
Auditors' remuneration:		
Audit	1,400	1,350
Depreciation and other amounts written off tangible fixed assets:		
Owned	11,966	9,569
Hire of plant and machinery - rentals		
payable under operating leases	0	924
	<hr/>	<hr/>

4 Remuneration of Directors

None of the directors received any remuneration in respect of their position in the company.

5 Staff numbers and costs

The Company does not have any employees. All staff are employed by the parent organisation, Askham Bryan College.

The average number of persons employed by the College (including directors) on farming activities during the year, analysed by category, was as follows:

	2002	2001
Farm Workers	2	2
Administration	0	0
Directors	0	0
	<hr/>	<hr/>
	2	2

The aggregate payroll costs of these persons were as follows:

	£ "	£
Wages and salaries	61,084	64,944
Social security costs	4,732	4,945
Other pensions costs (see note 15)	2,002	1,632
	<hr/>	<hr/>
	67,818	71,521

Notes (continued)

	2002	2001
	£	£
6 Other interest receivable and similar income		
Bank interest receivable	2,223	1,317
	<u>2,223</u>	<u>1,317</u>
7 Tax on profit on ordinary activities	2002	2001
	£	(as restated) £
a) Analysis of charge in period		
Current Tax	0	0
Deferred Tax		
Origination and reversal of timing differences	12,767	46,808
Tax on profit on ordinary activities	<u>12,767</u>	<u>46,808</u>
b) Factors affecting tax charge for period		
Profit on ordinary activities before tax	<u>42,560</u>	<u>355,172</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	12,768	106,552
Effects of:		
Expenses deductible for tax purposes		(59,744)
Capital allowances for period in excess of depreciation	(11,993)	2,871
Utilisation of losses		(49,679)
Other short term timing differences	(775)	
Current tax charge for period (note 7a) above)	<u>0</u>	<u>0</u>
c) Change of accounting policy		
Surplus for the year		
Tax charge	12,767	46,808
Reduction in reported profit for the year	<u>12,767</u>	<u>46,808</u>
Balance sheet		
Tax provision	12,767	46,808
Reduction in balance sheet	<u>12,767</u>	<u>46,808</u>

Notes (continued)

8 Tangible fixed assets

	Equipment	Total
	£	£
Cost		
At 1 August 2001	177,093	177,093
Additions	57,677	57,677
Disposals	(11,145)	(11,145)
At 31 July 2002	<u>223,625</u>	<u>223,625</u>
Depreciation		
At 1 August 2001	131,392	131,392
Charge for period	11,966	11,966
Disposals	(11,145)	(11,145)
At 31 July 2002	<u>132,213</u>	<u>132,213</u>
Net book value		
At 31 July 2002	<u>91,412</u>	<u>91,412</u>
At 31 July 2001	<u>45,701</u>	<u>45,701</u>
	2002	2001

9 Stocks

	£	£
Growing crops & residual values	55,726	53,177
Livestock	105,510	153,726
Produce, manure, consumable stores, fertilisers and feeding stuffs	25,080	21,423
	<u>186,316</u>	<u>228,326</u>

10 Debtors

	£	£
Trade debtors	4,592	2,912
Due from parent company	35,154	6,153
Other debtors	0	0
Prepayments and accrued income	17,008	20,705
	<u>56,754</u>	<u>29,770</u>

11 Creditors: amounts falling due within one year

	£	£
Bank overdraft	0	0
Trade creditors	0	19,007
Amounts owed to group undertakings	35,318	25,588
Accruals and deferred income	15,720	14,342
	<u>51,038</u>	<u>58,937</u>

Amounts owed to group undertakings includes £20,000 relating to a loan of £100,000 advanced on normal commercial terms, interest chargeable at 2% over LIBOR, repayable annually over five years in five equal instalments.

Notes (continued)

2002

2001

12 Creditors: amounts falling due after more than one year

	£	£
Amounts due to group undertakings	<u>80,000</u>	<u>80,000</u>

13 Deferred tax asset

2002

2001

(as restated)

	£	£
Accelerated capital allowances	1,084	(10,908)
Other short term timing differences	(5,594)	(6,369)
Provision for deferred Tax	<u>(4,510)</u>	<u>(17,277)</u>
Provision at start of period	(17,277)	(64,085)
Deferred Tax charge in Profit and Loss account for period (note 7)	12,767	46,808
Provision at end of period	<u>(4,510)</u>	<u>(17,277)</u>

The prior year adjustment of £17,277 is as a result of the requirement to implement Financial Reporting Standard No. 19 'Deferred Tax'.

14 Called up share capital

	£	£
Authorised		
Equity: Ordinary shares of £1 each	100	100
Redeemable preference shares of £1 each	15,000	15,000
	<u>15,100</u>	<u>15,100</u>
Allotted, called up and fully paid		
Equity: Ordinary shares of £1 each	1	1
Redeemable preference shares of £1 each	15,000	15,000
	<u>15,001</u>	<u>15,001</u>

The ordinary shares and redeemable shares rank pari-passu in all respects for the payment of any dividends.

The holders of the redeemable shares have the right, pursuant to Section 160 of the Companies Act 1985 to redeem at par the whole or any part of the redeemable shares on 1 April and 1 October in each or any year from 1 October 1993 upon giving to the Company not less than three months notice in writing of such intention to do so. In any event all redeemable shares which may from time to time be in issue and which have not previously been redeemed in the manner aforesaid shall be redeemed at a date no later than twenty-five years from their issue thereof.

Notes (continued)

2002

2001

15 Commitments

£

£

Capital commitments were as follows:

Contracted

0

0

16 Pension scheme

All staff are employed by Askham Bryan College, the Company's parent organisation.

All staff members are entitled to join the pension scheme of the College, details of which are shown in that organisation's accounts.

17 Related party disclosures

The company has taken advantage of the exemption in Financial Reporting Standard No.8 "Related Party Transactions" not to disclose any transactions between the company and other group companies as these have been eliminated on consolidation in the Financial Statements of Askham Bryan College Corporation.

18 Ultimate parent body

The company is a subsidiary undertaking of Askham Bryan College, which is registered as a charitable trust in England.

19 Post balance sheet events

On 31 October 2002 Askham Bryan College Estates Limited and Askham Bryan College Enterprises Limited, both wholly owned subsidiaries of Askham Bryan College Corporation, were amalgamated. The net assets of Askham Bryan Enterprises Limited were transferred to Askham Bryan Estates Limited. At the same time it was resolved that the name of Askham Bryan Estates Limited be changed to Askham Bryan College Company Limited and was duly registered as such at Companies House.

Askham Bryan College Estates Limited

Detailed trading and profit and loss account

For the year ended 31 July 2002

Askham Bryan College Estates Limited

Detailed trading account

for the year ended 31 July 2002

	Year ended 31 July 2002		Year ended 31 July 2001	
	£	£	£	£
Turnover				
Dairy	80,383		14,836	
Milk	196,096		209,196	
Potatoes	78,353		62,924	
Sugar beet	27,490		23,032	
Cereals	23,451		22,264	
Subsidies / set aside	8,758		11,240	
		414,531		343,492
Cost of sales				
Opening stock	228,326		241,493	
Seeds and plants	20,112		17,399	
Fertilisers	21,151		16,560	
Pesticides and other chemicals	0		9,958	
Livestock	1,753		0	
Feedstuffs	67,818		80,991	
Litter and bedding	0		3,680	
Vets fees and expenses	17,158		9,117	
Other expenses	77,036		73,859	
Milk quota leasing	309		0	
Closing stock	(186,316)		(228,326)	
		(247,347)		(224,731)
Gross profit		167,184		118,761
Administration expenses				
Motor expenses	3,247		4,405	
Electricity	10,018		10,631	
Water	1,780		1,269	
Rents and rates	38,784		37,888	
Protective Clothing	453		494	
Subscriptions	565		476	
Haulage	3,382		3,152	
Equipment hire	0		924	
Repairs, renewals and maintenance	19,217		20,478	
Wages and salaries	67,526		71,521	
Grounds maintenance	24,170		2,257	
Insurance	1,200		1,200	
General expenses	6,286		4,511	
Consultancy costs	0		(3,680)	
Management charges	25,140		21,283	
Interest payable	0		3,222	
Depreciation	11,966		9,569	
		(213,734)		(189,600)
Interest receivable and similar income				
Bank interest receivable	2,223		1,317	
Other income	742		91	
Curriculum recharge	75,000			
Profit on disposal of fixed assets	11,145		1,900	
		89,110		3,308
Trading profit/ (loss)		42,560		(67,531)