

Askham Bryan College Company Limited

Directors' report and financial statements
For the year ended 31 July 2004

Registered number 2800266



Askham Bryan College Company Limited

Directors' report and financial statements

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Askham Bryan College Company Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 2004.

Principal Activities

The principal activities of the Company are to conduct commercial activities and business consultancy and research, using the facilities of Askham Bryan College.

Commercial activities include commercial letting activities, trade of a licenced bar and farming activities on farm land owned by the College.

The farm also provides a field study centre adjacent to the College for the benefit of students undertaking courses in farming and innovation.

Business Review

The results for the year are shown on page 4. During the year £215,000 was gifted to Askham Bryan College out of the profits of the previous year under Gift Aid. Subject to availability of funds, it is intended that £49,000 will be gifted to Askham Bryan College under Gift Aid out of the surplus on commercial activities for this year.

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:

Mr P A Smith
Mrs C Grainger
Prof G Rees (employed by College)
Mr T Grey

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.

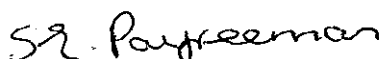
Auditors

A resolution to reappoint RSM Robson Rhodes LLP as auditors to the company will be proposed at the forthcoming Annual General Meeting.

Approval

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board.



S Palfreeman
Company Secretary
20th December 2004

Askham Bryan College
Askham Bryan
YORK
YO23 3FR

Askham Bryan College Company Limited

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.

Askham Bryan College Company Limited

Independent auditors' report to the Members of Askham Bryan College Company Limited

We have audited the financial statements on pages 4 to 11.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

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 our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Directors' 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 other material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

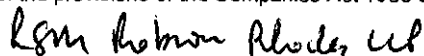
Basis of audit opinion

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 2004 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



RSM Robson Rhodes LLP
Chartered Accountants and Registered Auditors
Leeds, England

Date: December 2004

Askham Bryan College Company Limited

Profit and loss account

For the year ended 31 July 2004

	Note	2004 £	Continuing operations 2003 £
Turnover	2	858 047	1 000 257
Cost of sales		(679 888)	(644 373)
Gross Profit		178 159	355 884
Administrative expenses		(190 391)	(217 006)
Trading (loss) / profit		(12 232)	138 878
Other operating income		75 000	75 000
Operating profit		62 768	213 878
Other interest receivable and similar income	6	2 036	8 379
Gift aid paid to Askham Bryan College		(215 000)	-
(Loss) / profit on ordinary activities before taxation		(150 196)	222 258
Tax on profit on ordinary activities	7	(4 388)	(6 973)
Retained (loss) / profit for the financial year		(154 584)	215 285

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

The company has no gains or losses other than those recognised through the profit and loss account for the accounting year.

Askham Bryan College Company Limited

Balance sheet

at 31 July 2004

		2004		2003	
	Note	£	£	£	£
Fixed assets					
Investments	8		23 486		-
Tangible assets	9		144 903		135 820
Current assets					
Stocks	10	209 039		191 222	
Debtors	11	319 871		324 363	
Cash at bank and in hand		47 438		122 126	
		<u>576 348</u>		<u>637 711</u>	
Creditors: amounts falling due within one year	12	(425 482)		(331 325)	
Net current assets			<u>150 866</u>		<u>306 386</u>
Total assets less current liabilities			<u>319 255</u>		<u>442 206</u>
Creditors: amounts falling due after more than one year	13		(27 245)		-
Provisions for liabilities and charges	14		(6 851)		(2 463)
Net Assets			<u>285 159</u>		<u>439 743</u>
Capital and Reserves					
Called up share capital	15	15 001		15 001	
Profit and loss account	16	270 158		424 742	
Shareholders funds			<u>285 159</u>		<u>439 743</u>
Analysis of shareholders funds					
Equity interests		270 159		424 743	
Non-equity interests		15 000		15 000	
		<u>285 159</u>		<u>439 743</u>	

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

These financial statements were approved by the board of directors on 20th December 2004 and were signed on its behalf by:

PA Smith
Director



Askham Bryan College Company Limited

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 accounts are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention.

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to prepare a cash flow 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

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

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

Askham Bryan College Company Limited

Notes (continued)

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 activities including activities carried out by Askham Bryan College Enterprises Limited, a fellow subsidiary, acting as an undisclosed agent for the company for the period to 31 October 2002.

3 Loss / profit on ordinary activities before taxation

<i>Loss / profit on ordinary activities before taxation is stated</i>	2004	2003
<i>after charging</i>		
	£	£
Auditors' remuneration:		
Depreciation	2 000	2 700
Depreciation and other amounts written off tangible fixed assets:		
Depreciation	29 303	32 481
Loss on disposal	647	-
	<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 Company activities during the year, analysed by category, was as follows:

	2004	2003
Farm Workers	3	3
Research, etc	9	9
Administration	1	1
	<hr/>	<hr/>
	13	13
	<hr/>	<hr/>
The aggregate payroll costs of these persons were as follows:	£	£
Wages and salaries	296 986	285 942
Social security costs	23 276	19 646
Other pensions costs (see note 17)	27 285	24 006
	<hr/>	<hr/>
	347 547	329 594

Askham Bryan College Company Limited

Notes (continued)

6 Other interest receivable and similar income	2004	2003
	£	£
Bank interest receivable	2 036	8 379
	<u>2 036</u>	<u>8 379</u>
7 Taxation	2004	2003
	£	£
Current Tax	-	-
Deferred Tax		
Origination and reversal of timing differences	4 388	6 973
Tax on profit on ordinary activities	<u>4 388</u>	<u>6 973</u>
8 Investments	2004	2003
	£	£
Trade investment	23 486	-
	<u>23 486</u>	<u>-</u>

The trade investment represents capital contributions and undistributed declared share of earnings in a dairy co-operative organisation.

9 Tangible fixed assets

	Equipment	Total
	£	£
Cost		
At 1 August 2003	297 932	297 932
Additions	50 533	50 533
Disposals	(27 500)	(27 500)
At 31 July 2004	<u>320 965</u>	<u>320 965</u>
Depreciation		
At 1 August 2003	162 112	162 112
Charge for period	29 303	29 303
Disposals	(15 353)	(15 353)
At 31 July 2004	<u>176 062</u>	<u>176 062</u>
Net book value		
At 31 July 2004	<u>144 903</u>	<u>144 903</u>
At 31 July 2003	<u>135 820</u>	<u>135 820</u>

Askham Bryan College Company Limited

Notes (continued)

2004

2003

10 Stocks

	£	£
Growing crops & residual values	53 540	55 706
Livestock	127 560	110 409
Produce, manure, consumable stores, fertilisers and feeding stuffs	26 273	18 962
Bar Stocks	1 666	6 145
	<u>209 039</u>	<u>191 222</u>

11 Debtors

	£	£
Trade debtors	24 753	12 814
Due from parent company	220 000	200 000
Other debtors	3 492	14 011
Prepayments and accrued income	71 626	97 538
	<u>319 871</u>	<u>324 363</u>

12 Creditors: amounts falling due within one year

	£	£
Trade creditors	31 358	56 877
Amounts owed to group undertakings	305 627	180 792
Accruals and deferred income	85 497	93 657
Current portion of long term loan	3 000	-
	<u>425 482</u>	<u>331 325</u>

13 Creditors: amounts falling due after more than one year

	£	£
Amounts due to group undertakings	-	-
Long term loan from Brewery	27 245	-
	<u>27 245</u>	<u>-</u>

The other loan is an interest free loan from a trade supplier extinguishable over ten years from July 2004 against the volume of business transacted with that supplier. The loan is to be applied on improvements to the student union bar facilities commenced in July 2004.

14 Provisions for liabilities and charges

	£	£
Provision for deferred Tax		
Accelerated capital allowances	12 445	8 057
Other short term timing differences	(5 594)	(5 594)
	<u>6 851</u>	<u>2 463</u>
Provision for deferred Tax		
Provision at start of period	2 463	(4 510)
Deferred Tax charge in Profit and Loss account for period (note 7)	4 388	6 973
	<u>6 851</u>	<u>2 463</u>

Askham Bryan College Company Limited

Notes (continued)

2004

2003

15 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.

16 Profit and loss account

	£	£
Opening balance at 1 August	424 742	209 457
Recognised gains and losses relating to the year after dividends	(154 584)	215 285
Closing balance at 31 July	<u>270 158</u>	<u>424 742</u>

17 Commitments

	£	£
Capital commitments were as follows:		
Contracted	<u>21 538</u>	-
Authorised but not contracted	<u>5 974</u>	-

18 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.

19 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.

20 Ultimate parent body

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

Askham Bryan College Company Limited

Detailed trading and profit and loss account

For the year ended 31 July 2004

Askham Bryan College Company Limited

for the year ended 31 July 2004

Year ended
31 July 2004
£ £

Year ended
31 July 2003
£ £

DETAILED PROFIT AND LOSS ACCOUNT

Turnover

Farming activities	314 932	346 409
Enterprise Activities	543 115	653 848
	<u>858 047</u>	<u>1000 257</u>

Cost of Sales

Farming activities	(320 060)	(306 351)
Enterprise Activities	(359 828)	(338 022)
	<u>(679 888)</u>	<u>(644 373)</u>

Gross Profit

Farming activities	(5 128)	40 058
Enterprise Activities	183 287	315 826
	<u>178 159</u>	<u>355 884</u>

Administration expenses

Motor expenses	3 433	4 163
Electricity	5 647	15 556
Water	1 829	681
Rents and rates	37 798	36 958
Protective Clothing	-	-
Subscriptions	827	707
Telephones and postage	720	880
Stationery and printing	1 247	989
Advertising	4 673	3 443
Equipment hire	5 414	2 532
Repairs, renewals and maintenance	14 925	15 178
Wages and salaries	34 819	35 051
Grounds maintenance	-	-
Insurance	-	-
General expenses	1 547	2 941
Consultancy costs	6 089	9 046
Audit Fees	2 000	2 700
Other professional Fees	829	-
Bad debts	1 142	1 631
Management charges	37 502	52 067
Interest payable	-	-
Depreciation	29 303	32 481
Loss on disposal of fixed assets	647	-
	<u>(190 391)</u>	<u>(217 006)</u>

Interest receivable and similar income

Bank interest receivable	2 036	8 379
Curriculum recharge	75 000	75 000
	<u>77 036</u>	<u>83 379</u>

Gift Aid to Askham Bryan College

(215 000)

Trading (loss) / profit

(150 196) 222 258

Askham Bryan College Company Limited

for the year ended 31 July 2004

DETAILED TRADING ACCOUNTS (cont)

	Year ended 31 July 2004		Year ended 31 July 2003	
	£	£	£	£
Farming Activities Trading Account				
Turnover				
Dairy	12 365		17 238	
Milk	149 211		181 380	
Potatoes	70 500		79 524	
Sugar beet	29 712		27 818	
Cereals	26 719		13 935	
Other livestock	13 821		16 750	
Subsidies / set aside	12 604		9 762	
		314 932		346 409
Cost of sales				
Opening stock	185 077		186 316	
Seeds and plants	25 277		17 733	
Fertilisers	12 686		11 589	
Pesticides and other chemicals	13 212		20 478	
Livestock	11 189		2 501	
Feedstuffs	82 135		56 752	
Hire of milking parlour	16 200		-	
Vets fees and expenses	22 976		16 753	
Haulage	3 912		14 367	
Contractors Charges	35 472		47 461	
Other expenses	39 682		50 133	
Milk quota leasing	-		(2 489)	
Wages	79 615		69 833	
Closing stock	(207 373)		(185 077)	
		(320 060)		(306 351)
Gross profit		(5 128)		40 058

Askham Bryan College Company Limited

for the year ended 31 July 2004

DETAILED TRADING ACCOUNTS (cont)

	2004		2003	
	£	£	£	£
Enterprise activities Trading Account				
Turnover				
Equipment hire		-		3,266
Meals and catering income	48,329			51,843
Room hire and accommodation	81,110			47,390
Bar Sales	56,893			82,109
Research grants	301,492			405,713
Other income	55,291			63,528
			543,115	653,848
Cost of Sales				
Opening stock	6,145			-
Catering costs	53,218			39,812
Cleaning and laundry	385			1,565
Purchases for resale	47,667			56,184
Transport costs	-			903
Excise licences and bar stock fees	758			330
Travel & subsistence	20,208			20,665
Wages and salaries	233,113			224,709
Closing stock	(1,666)			(6,145)
			(359,828)	(338,022)
Gross profit			183,287	315,826