

# **WATERINGBURY PEAR ORCHARDS LIMITED**

## ***Registered Office:***

**The Coach House  
76 Bow Road  
Wateringbury  
Maidstone, Kent  
ME18 5DS**

***Registered Number 3128498***

***Telephone: 01622 814324***

## **DIRECTORS REPORT**

**20.11.95 - 31.03.97**

### **1 Purchase of Orchard Land**

On 18th October 1995 at an auction in Maidstone a group of Wateringbury residents successfully bid for Lot 19, a plot of pear and apple orchards of approximately 10 acres. The bid price of £18,000 was subsequently met from contributions from a total of 14 households whose properties were in the proximity of the orchard land purchased. The total Legal and Registration Fees of £959.01 were paid in equal amounts by the 14 households, with a small working surplus of £230.99.

### **2 Formation of Private Limited Company**

On 20th November 1995 the group of 14 households were incorporated as a private limited company, registered at Companies House under the title "Wateringbury Pear Orchards Limited". The purpose of the company was to preserve the land (Lot 19) as orchards or for other agricultural, conservational or rural purposes in perpetuity with the object of preserving the rural environment of Wateringbury and in particular that of the properties surrounding the orchard. The Memorandum and Articles of Association were drawn up to reflect that objective.

### **3 Inaugural General Meeting**

An Inaugural General Meeting of the Company was held on 12th February 1996, attended by 18 shareholders representing the 14 subscribing households. A Board was elected, comprising 3 Directors and a Company Secretary/Director. It was resolved that no dividends shall be paid to shareholders, except in winding up, and that no fees shall be paid to Directors; both resolutions to make it clear that the company is a non-profit making organisation. The minutes of this meeting were duly circulated to shareholders.



#### 4 Two Major Issues - Maintenance and Share Certificates

In the intervening period two major issues have been addressed:

##### 4.1 Maintenance of the Orchard

It was realised that shareholders had neither the expertise, the finance nor the resources to maintain the orchard in a clean and tidy condition. By good fortune a professional tree pruner was found who expressed a keen interest in maintaining the orchard, to provide for pruning and spraying the trees, for mowing the grass, for harvesting and marketing, and for the maintenance of hedges and boundary fences.

It was agreed that a peppercorn rent be agreed in exchange for above services, to provide sufficient funds to cover day-to-day administration costs, to include the payment of premiums for necessary public liability insurance cover.

A form of contract acceptable to both parties is outstanding but is nearing completion.

##### 4.2 Allocation of Share Certificates

Detailed work has progressed on the wording of the allocation and treatment of shares. Care has been taken to ensure that when one of the founding households has a need to dispose of his/her shares, due to moving away, or to the death of a shareholder for example, that the shares shall be properly re-allocated to ensure that the objectives of the Company are maintained. Unscrupulous development of the land is to be avoided at all costs.

Several versions of a suitable form of wording have been devised and have been put to the shareholders for consideration. Difficulties in anticipating every form of eventuality have been realised. This has now been largely overcome by the issue of "A" (£1.00) Shares which give voting rights on the basis of two votes per member household, and "B" Shares, issued in multiples of £250 each to each member household on the basis of their original contribution to the purchase price of the orchard.

#### 5 Taxation

A Corporation Tax return for the period 20.11.95 to 19.11.96 was submitted to H.M. Inspector of Taxes, showing a trading loss for the period of £119 so no tax was payable. A return for the period 20.11.96 to 31.3.97 will also be submitted and for this period a further trading loss of £15 has been incurred.

#### 6 Publication of Accounts

The first Annual General Meeting was held on 19th May 1997 at which the Company accounts for the period 20.11.95 to 31.3.97 were presented to shareholders.

The Profit and Loss account showed a total income for the period of £102.50 against expenditure amounting to £236.57, a trading loss of £134.07.


The Balance Sheet for the same period included the sum of £19,190.00 being capital introduced from shareholders for the initial purchase of the orchard and for its associated fees, the two amounting to a total of £18,959.01. This resulted in a small working surplus of £230.99. At the close of the period a total of £96.92 is held in the current account.

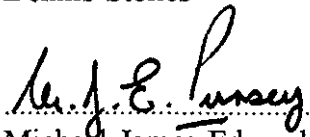
## 7 Conclusion

It is to be hoped that the working surplus will improve when the contract is in place for the running of the orchard, although in 1997 there is likely to be total crop failure due to the effects of late frosts.

Several other issues remain outstanding, for example, agreement with Land Registry over boundaries in the area of the stream, with boundaries of neighbouring properties, and these will be on-going.

Signed on behalf of the Board of Directors:

  
.....Director (Chairman) 27.8.97.....(date)  
Dennis Stones

  
.....Company Secretary/Director 27-8-97.....(date)  
Michael James Edward Pursey

# WATERINGBURY PEAR ORCHARDS LIMITED

Company No. 3128498

## BALANCE SHEET

For period 20th November 1995 to 31st March 1997

INCOME		£	EXPENDITURE	£
October 1995	Capital introduced from Shareholders	18,000.00	Setting-up Expenses:	
			Orchard	18,000.00
November 1995/ February 1996	Capital introduced from Shareholders	1,190.00	Legal Fees	789.01
			Registration Fees	170.00
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		19,190.00		18,959.01
	Surplus in Capital Account			230.99

## BANK RECONCILIATION

Balance at Bank at 31st March 1997	£96.92
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Represented by Surplus in Capital Account	£230.99
less Trading Loss	£134.07
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	£ 96.92
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Statement by Directors

- i. For the period ended 31st March 1997 the company was entitled to the exemption under sub-section (1) of section 249A of the Companies Act 1985.
- ii) No notice from members requiring an audit, has been deposited under section 249B(2) of the Companies Act 1985, and
- iii) the directors acknowledge their responsibility for
  - a) ensuring the company keeps accounting records which comply with Section 221, and:
  - b) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.
- iv) that the accounts are prepared in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

Signed.....*Dennis Stones*.....Director (Chairman) .....28-8-97.....(date)  
Dennis Stones

Signed.....*Michael James Edward Pursey*.....Company Secretary/Director .....27.8.97.....(date)  
Michael James Edward Pursey

# WATERINGBURY PEAR ORCHARDS LIMITED

Company No. 3128498

## PROFIT & LOSS ACCOUNT

For period 20th November 1995 to 31st March 1997

	INCOME	£	EXPENDITURE	£
1.11.96	Rent	102.50	16.11.95 Insurance	102.50
	Trading Loss	134.07	28.2.96 Stationery	16.57
			11.11.96 Insurance	102.50
			27.11.96 Fees	15.00

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236.57  
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236.57  
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*Prof E Pursey - Company Secretary /*  
*13.8.97. Director.*

*W. J. Chavira - Director*

13/8/97

COMPANIES HOUSE 16/08/97