

REGISTERED NUMBER: 3237079 (England and Wales)

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2004
FOR
MARCHAM FARMS LIMITED



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For The Year Ended 30 September 2004

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MARCHAM FARMS LIMITED

COMPANY INFORMATION
For The Year Ended 30 September 2004

DIRECTORS: J L Duffield
S I Selwood

SECRETARY: S I Selwood

REGISTERED OFFICE: Phoenix House
Bartholomew Street
Newbury
Berkshire
RG14 5QA

REGISTERED NUMBER: 3237079 (England and Wales)

**REPORT OF THE INDEPENDENT AUDITORS TO
MARCHAM FARMS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages three to six, together with the full financial statements of the company for the year ended 30 September 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

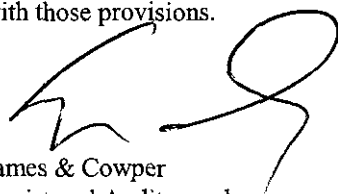
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered 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 consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages three to six are properly prepared in accordance with those provisions.



James & Cowper
Registered Auditor and
Chartered Accountants
Phoenix House
Bartholomew Street
Newbury
Berkshire RG14 5QA

Date: 6/9/05

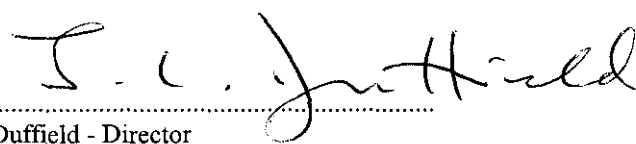
MARCHAM FARMS LIMITED

ABBREVIATED BALANCE SHEET
30 September 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Intangible assets	2	5,454	5,454
Tangible assets	3	2,041,933	1,930,831
		<u>2,047,387</u>	<u>1,936,285</u>
CURRENT ASSETS			
Stocks		260,323	291,640
Debtors		23,760	19,293
Cash at bank		95,442	6,589
		<u>379,525</u>	<u>317,522</u>
CREDITORS			
Amounts falling due within one year	4	1,408,541	1,018,573
NET CURRENT LIABILITIES		<u>(1,029,016)</u>	<u>(701,051)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,018,371</u>	<u>1,235,234</u>
CAPITAL AND RESERVES			
Called up share capital	5	2,500,000	2,500,000
Profit and loss account		(1,481,629)	(1,264,766)
SHAREHOLDERS' FUNDS		<u>1,018,371</u>	<u>1,235,234</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:


J L Duffield - Director


S I Selwood - Director

Approved by the Board on 19-8-2005

MARCHAM FARMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For The Year Ended 30 September 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Intangible assets

Ewe premium rights are capitalised at their purchase cost. Provision is made for any diminution in value.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	- Nil
Freehold buildings	- 2% straight line
Improvements to property	- 2% straight line
Plant and machinery	- 20% on reducing balance
Tenant's improvement	- 2% straight line
Sheep flock	- Nil

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

The valuation has been prepared by professional valuers on a basis in accordance with normal farming practice and the Inland Revenue Business Economic Note 19.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Going concern

The company is reliant on the continued support of J L Duffield (a director), the Trustees of the Peasmore Settlement and the Trustees of the Marcham Settlement, through their respective loan accounts. They have confirmed that they have no intention of withdrawing their loans in the foreseeable future.

2. INTANGIBLE FIXED ASSETS

	Total £
COST	
At 1 October 2003 and 30 September 2004	<u>5,454</u>
NET BOOK VALUE	
At 30 September 2004	<u>5,454</u>
At 30 September 2003	<u>5,454</u>

MARCHAM FARMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued For The Year Ended 30 September 2004

3. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 October 2003	2,281,394
Additions	167,454
Disposals	(30,716)
At 30 September 2004	2,418,132
DEPRECIATION	
At 1 October 2003	350,563
Charge for year	54,826
Eliminated on disposal	(29,190)
At 30 September 2004	376,199
NET BOOK VALUE	
At 30 September 2004	2,041,933
At 30 September 2003	1,930,831

4. CREDITORS

The following secured debts are included within creditors:

	2004 £	2003 £
Bank overdrafts	15,430	340,580

5. CALLED UP SHARE CAPITAL

Authorised:			2004	2003
Number:	Class:	Nominal value:	£	£
2,500,000	A Ordinary	£1	2,500,000	2,500,000
2,500,000	B Ordinary	£1	2,500,000	2,500,000
			5,000,000	5,000,000
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2004 £	2003 £
1,250,000	A Ordinary	£1	1,250,000	1,250,000
1,250,000	B Ordinary	£1	1,250,000	1,250,000
			2,500,000	2,500,000

6. ULTIMATE CONTROLLING PARTIES

The controlling parties are the Trustees of the Peasmore Settlement and the Trustees of the Marcham Settlement. J L Duffield, a director, is a Trustee of both of these Settlements.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
For The Year Ended 30 September 2004

7. RELATED PARTY TRANSACTIONS

During the period the company entered into the following related party transactions.

The company rents land from Mr J L Duffield a director of the company. In the period ended 30 September 2004 rent due for the year was £41,515 (2003 - £41,515). Mr J L Duffield waived the right to receipt of this rent. During the year Mr J L Duffield introduced capital of £650,000. At the end of the period under review the company owed Mr J L Duffield £799,556 (2003- £149,556).

The company rents land from the Trustees of the Peasmere Settlement and the Trustees of the Marcham Settlement. Mr J L Duffield is a trustee of both these settlements. In the period ended 30 September 2004 rent due for the year was £76,000 and £52,000 respectively. The trustees waived the right to receipt of these rents. At the end of the period under review the company owed the Trustees of the Peasmere Settlement and the Trustees of the Marcham Settlement £304,000 (2003 - £304,000) and £208,000 (2003 - £208,000) respectively.