

Registered number: 00356817

Loddington Farm Limited

**Financial statements
for the year ended 31 March 2019**



Loddington Farm Limited

Company information

Directors	A T G Smith J T A Smith Mrs M Smith
Company secretary	Mrs M Smith
Registered number	00356817
Registered office	Loddington Farm Loddington Lane Linton Maidstone Kent ME17 4AG
Accountants	Chavereys 2 Jubilee Way Faversham Kent ME13 8GD

Loddington Farm Limited

Chartered Accountants' report to the Board of Directors on the preparation of the unaudited statutory financial statements of Loddington Farm Limited for the year ended 31 March 2019


In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Loddington Farm Limited for the year ended 31 March 2019 which comprise the profit and loss account, balance sheet, statement of changes in equity and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Loddington Farm Limited, as a body, in accordance with the terms of our engagement letter dated 5 October 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Loddington Farm Limited and state those matters that we have agreed to state to the board of directors of Loddington Farm Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Loddington Farm Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Loddington Farm Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of Loddington Farm Limited. You consider that Loddington Farm Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Loddington Farm Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Chavereys

Faversham

Date: 13 December 2019

Loddington Farm Limited
Registered number:00356817

Balance Sheet
as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	1,156,924	1,028,338
Investments	5	50	50
		<u>1,156,974</u>	<u>1,028,388</u>
Current assets			
Stocks	6	29,223	30,023
Debtors: amounts falling due within one year	7	299,100	238,483
Cash at bank and in hand		4,696	3,360
		<u>333,019</u>	<u>271,866</u>
Creditors: amounts falling due within one year	8	(1,573,179)	(1,145,294)
Net current liabilities		<u>(1,240,160)</u>	<u>(873,428)</u>
Total assets less current liabilities		<u>(83,186)</u>	<u>154,960</u>
Creditors: amounts falling due after more than one year	9	(565,220)	(887,608)
Net liabilities		<u><u>(648,406)</u></u>	<u><u>(732,648)</u></u>
Capital and reserves			
Called up share capital		3,500	3,500
Share premium account		297,524	297,524
Profit and loss account		(949,430)	(1,033,672)
		<u><u>(648,406)</u></u>	<u><u>(732,648)</u></u>

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Balance Sheet (continued)
as at 31 March 2019

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



J T A Smith
Director

Date: 12 December 2019

The notes on pages 4 to 11 form part of these financial statements.

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2019

1. General information

Loddington Farms Limited is a private company, limited by shares and incorporated in England and Wales.

The company number and address of the registered office are given on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in pound sterling and all values are rounded to the nearest pound (£) except where otherwise indicated.

2.2 Going concern

The financial statements have been prepared on a going concern basis, the validity of which is dependent upon the continuing support of the company's shareholders and bankers in the form of loans. The shareholders of the company and bankers continue to support the company and as a result the directors have adopted the going concern basis of accounting.

2.3 Revenue recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover represents net invoiced sales of fruit, crops and other income, excluding discounts, rebates, value added tax and other sale taxes.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight line or reducing balance basis.

Depreciation is provided on the following basis:

Tenants' improvements	- 2 - 15% reducing balance
Plant and machinery	- 10 - 25% reducing balance
Motor vehicles	- 15% reducing balance
Orchards	- 5% straight line

2.5 Investments

Investments in unlisted companies are measured at cost less accumulated impairment.

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2019

2. Accounting policies (continued)

2.6 Stocks

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Where cost cannot be reliably calculated, deemed cost is used in line with HMRC guidance HS232.

2.7 Biological assets

Biological assets are growing costs in respect of living trees controlled by the company from which it expects to derive future economic benefit. These are measured at the lower of cost and estimated selling price, less costs to sell.

2.8 EU agricultural support schemes

Payments received under EU agricultural support schemes are recognised as income when the business has met all criteria which entitle it to payments.

Amounts received under the Basic Payment scheme are recognised on 31 December in the year of claim. No provision has been made for penalties arising from the failure to comply with 'cross compliance' conditions, as defined by the RPA, except for where notification has been received.

2.9 Leased assets: the company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.10 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2019

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2018 - 16).

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2019

4. Tangible fixed assets

	Freehold land £	Plant and machinery £	Motor vehicles £	Orchards (biological assets) £	Assets under construction £	Tenants' improvements £	Total £
Cost or valuation							
At 1 April 2018	135,765	1,036,520	22,420	359,154	30,156	382,096	1,966,111
Additions	-	20,389	-	59,505	-	166,693	246,587
Disposals	-	(1,950)	-	-	-	-	(1,950)
Transfers between classes	-	-	-	-	(30,156)	30,156	-
At 31 March 2019	135,765	1,054,959	22,420	418,659	-	578,945	2,210,748
Depreciation							
At 1 April 2018	-	612,244	11,391	48,647	-	265,491	937,773
Charge for the year on owned assets	-	62,670	1,654	20,212	-	28,309	112,845
Charge for the year on financed assets	-	3,579	-	-	-	-	3,579
Disposals	-	(373)	-	-	-	-	(373)
At 31 March 2019	-	678,120	13,045	68,859	-	293,800	1,053,824
Net book value							
At 31 March 2019	135,765	376,839	9,375	349,800	-	285,145	1,156,924
At 31 March 2018	135,765	424,276	11,029	310,507	30,156	116,605	1,028,338

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2019

4. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Plant and machinery	20,282	33,342
Motor vehicles	-	9,030
	<u>20,282</u>	<u>42,372</u>

5. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2018 and 31 March 2019	50
Net book value	
At 31 March 2019	<u>50</u>
At 31 March 2018	<u>50</u>

6. Stocks

	2019 £	2018 £
Consumables	4,849	8,918
Growing crop	14,703	13,439
Crop in store	9,671	7,666
	<u>29,223</u>	<u>30,023</u>

Growing crop of £14,703 (2018 - £13,439) is in respect of biological assets.

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2019

7. Debtors

	2019 £	2018 £
Trade debtors	77,869	43,388
Other debtors	34,982	26,993
Prepayments and accrued income	186,249	168,102
	<u>299,100</u>	<u>238,483</u>

8. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank overdraft	179,856	147,801
Bank loans	331,000	31,000
Other loans	29,000	47,444
Trade creditors	115,561	75,512
Net obligations under finance lease and hire purchase contracts	5,632	10,124
Directors' current accounts	848,620	708,005
Other creditors and accruals	63,510	125,408
	<u>1,573,179</u>	<u>1,145,294</u>

9. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans	475,370	866,626
Other loans	87,500	13,000
Net obligations under finance leases and hire purchase contracts	2,350	7,982
	<u>565,220</u>	<u>887,608</u>

Secured loans

Bank loans are secured by way of a fixed and floating charge over all the assets of the company and personal land and property held by directors. Hire purchase liabilities are secured against the asset to which they relate.

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2019

10. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year		
Bank loans	331,000	31,000
Other loans	29,000	47,444
	<u>360,000</u>	<u>78,444</u>
Amounts falling due 1-2 years		
Bank loans	31,000	391,000
Other loans	16,000	13,000
	<u>47,000</u>	<u>404,000</u>
Amounts falling due 2-5 years		
Bank loans	224,565	246,512
Other loans	57,000	-
	<u>281,565</u>	<u>246,512</u>
Amounts falling due after more than 5 years		
Bank loans	219,805	229,114
Other loans	14,500	-
	<u>234,305</u>	<u>229,114</u>
	<u>922,870</u>	<u>958,070</u>

Bank loans include £141,400 (2018 - £141,400) repayable other than by instalments.

11. Pension commitments

The company operates defined contributions pensions schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £3,000 (2018 - £3,051).

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2019

12. Commitments under operating leases

At 31 March 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Not later than 1 year	39,689	18,866
Later than 1 year and not later than 5 years	75,303	12,047
	114,992	30,913

The commitments under operating leases are in respect of tractor hire.

13. Related party transactions

During the year the directors advanced the company £234,000 and withdrew £93,385. At the year end £848,620 (2018 - £708,005) was owed to the directors.

During the year the company paid rents of £5,500 to the directors.