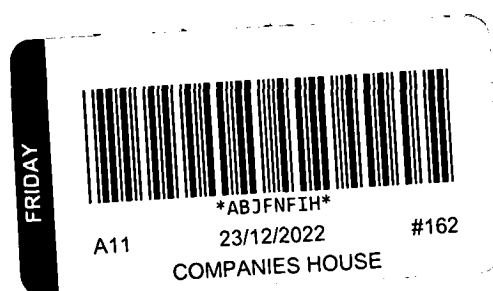


Registered number: 00356817

Loddington Farm Limited

**Financial statements
for the year ended 31 March 2022**



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 2022

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 2022 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 <https://www.icaew.com/regulation>.

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 25 November 2020. 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 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: 21 December 2022

Loddington Farm Limited
Registered number:00356817

Balance sheet
as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	188,292	211,828
Tangible assets	5	1,391,448	1,364,174
Investments	6	50	50
		<u>1,579,790</u>	<u>1,576,052</u>
Current assets			
Stocks	7	222,856	142,498
Debtors: amounts falling due within one year	8	216,356	327,519
Cash at bank and in hand		24,879	26,078
		<u>464,091</u>	<u>496,095</u>
Creditors: amounts falling due within one year	9	(1,996,440)	(2,061,901)
Net current liabilities		<u>(1,532,349)</u>	<u>(1,565,806)</u>
Total assets less current liabilities		<u>47,441</u>	<u>10,246</u>
Creditors: amounts falling due after more than one year	10	(903,965)	(706,442)
Net liabilities		<u>(856,524)</u>	<u>(696,196)</u>
Capital and reserves			
Called up share capital	12	3,500	3,500
Share premium account		297,524	297,524
Profit and loss account		(1,157,548)	(997,220)
		<u>(856,524)</u>	<u>(696,196)</u>

Loddington Farm Limited
Registered number:00356817

Balance sheet (continued)
as at 31 March 2022

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 the 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:

21/12/22

The notes on pages 4 to 14 form part of these financial statements.

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

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 bankers and shareholders in the form of loans and the provision of personal assets for the purpose of loan security. The shareholders of the company and its bankers continue to support the company.

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, contracting services, fruit juice and farmshop sales excluding discounts, rebates, value added tax and other sale taxes.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the profit and loss account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
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Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

2. Accounting policies (continued)

2.5 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
Office equipment	- 15% straight line
Asset under construction	- Not depreciated

2.6 Investments

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

2.7 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.

2.8 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 value in use.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

2. Accounting policies (continued)

2.10 Agricultural support schemes

Payments received under 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.

2.11 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.

2.12 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 profit and loss account 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.

2.13 Taxation

Tax is recognised in the profit and loss account 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.

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

3. Employees

The average monthly number of employees, including directors, during the year was 12 (2021 - 14).

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2021	235,364
At 31 March 2022	235,364
Amortisation	
At 1 April 2021	23,536
Charge for the year on owned assets	23,536
At 31 March 2022	47,072
Net book value	
At 31 March 2022	188,292
At 31 March 2021	211,828

Loddington Farm Limited

**Notes to the financial statements
for the year ended 31 March 2022**

5. Tangible fixed assets

	Freehold land £	Plant and machinery £	Motor vehicles £	Orchards (biological assets) £	Office equipment £	Assets under construction £	Tenants' improvements £	Total £
Cost								
At 1 April 2021	135,765	1,248,146	58,754	462,732	1,908	-	737,244	2,644,549
Additions	-	65,429	-	7,372	2,327	79,597	30,799	185,524
Disposals	-	(34,486)	-	-	-	-	-	(34,486)
At 31 March 2022	135,765	1,279,089	58,754	470,104	4,235	79,597	768,043	2,795,587
Depreciation								
At 1 April 2021	-	801,011	17,650	113,933	48	-	347,733	1,280,375
Charge for the year on owned assets	-	66,807	2,923	23,506	568	-	43,613	137,417
Charge for the year on financed assets	-	7,993	8,012	-	-	-	-	16,005
Disposals	-	(29,658)	-	-	-	-	-	(29,658)
At 31 March 2022	-	846,153	28,585	137,439	616	-	391,346	1,404,139
Net book value								
At 31 March 2022	135,765	432,936	30,169	332,665	3,619	79,597	376,697	1,391,448
At 31 March 2021	135,765	447,135	41,104	348,799	1,860	-	389,511	1,364,174

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

5. Tangible fixed assets (continued)

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

	2022 £	2021 £
Plant and machinery	51,825	17,335
Motor vehicles	14,224	22,236
	<u>66,049</u>	<u>39,571</u>

6. Fixed asset investments

	Trade investments £
Cost	
At 1 April 2021 and 31 March 2022	<u>50</u>

7. Stocks

	2022 £	2021 £
Consumables	23,331	10,498
Growing crop	10,060	9,848
Crop in store and finished goods	189,465	122,152
	<u>222,856</u>	<u>142,498</u>

Biological assets - Growing crop

	2022 £	2021 £
At 1 April 2021	9,848	11,880
Net movement from cultivations and fruit sales for the 2021 and 2022 harvests	212	(2,032)
At 31 March 2022	<u>10,060</u>	<u>9,848</u>

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

8. Debtors

	2022 £	2021 £
Trade debtors	188,827	171,738
Other debtors	23,603	83,230
Prepayments and accrued income	3,926	72,551
	<u>216,356</u>	<u>327,519</u>

9. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank overdraft	387,701	288,040
Bank loans	50,401	334,684
Other loans	169,503	192,862
Trade creditors	164,541	78,025
Net obligations under finance lease and hire purchase contracts	19,960	8,951
Directors' current accounts	590,147	508,608
Other creditors and accruals	114,187	150,731
Share capital treated as debt	500,000	500,000
	<u>1,996,440</u>	<u>2,061,901</u>

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

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

	2022 £	2021 £
Bank loans	809,612	576,518
Other loans	20,500	26,500
Net obligations under finance leases and hire purchase contracts	34,003	24,674
Accruals and deferred income	39,850	78,750
	<u>903,965</u>	<u>706,442</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.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2022 £	2021 £
Repayable by instalments	498,779	158,686
Repayable other than by instalments	141,400	141,400
	<u>640,179</u>	<u>300,086</u>

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

11. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	50,401	334,684
Other loans	169,503	192,862
	<u>219,904</u>	<u>527,546</u>
Amounts falling due 1-2 years		
Bank loans	44,350	51,144
Other loans	6,000	6,000
	<u>50,350</u>	<u>57,144</u>
Amounts falling due 2-5 years		
Bank loans	125,083	227,788
Other loans	14,500	18,000
	<u>139,583</u>	<u>245,788</u>
Amounts falling due after more than 5 years		
Bank loans	640,179	297,586
Other loans	-	2,500
	<u>640,179</u>	<u>300,086</u>
	<u>1,050,016</u>	<u>1,130,564</u>

Other loans due within one year includes £163,503 due to a shareholder (see note 17).

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

12. Share capital

	2022 £	2021 £
Shares classified as equity		
Allotted, called up and fully paid		
3,500 (2021 - 3,500) Ordinary shares of £1 each	<u>3,500</u>	<u>3,500</u>
Shares classified as debt		
Allotted, called up and fully paid		
500,000 (2021 - 500,000) Preference shares of £1 each	<u>500,000</u>	<u>500,000</u>

The preference shares may be redeemed at par, at the option of the holder, upon the holder giving six months' notice in writing to the company. No premium is payable on redemption.

Each preference share carries the right to a non-cumulative net annual dividend equal to 1% of the capital paid up thereon, payable half yearly in arrears starting from the date of issue.

13. Contingent liabilities

The agreement under which the company acquired a fruit juice business, includes a contingent consideration element. The maximum amount payable if all targets are achieved is £50,000, payable in two annual payments of £25,000 in 2022 and 2023.

At the balance sheet date it is anticipated that the contingent payments may not be due in full and based on the information available, a provision has been made for £38,750.

14. 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 £2,901 (2021 - £3,000). At the year end £954 (2021 - £552) was due to the scheme.

15. Commitments under operating leases

At 31 March 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	14,351	40,676
Later than 1 year and not later than 5 years	<u>10,932</u>	<u>25,283</u>
	<u>25,283</u>	<u>65,959</u>

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

Loddington Farm Limited

Notes to the financial statements for the year ended 31 March 2022

16. Related party transactions

During the year the directors advanced the company £110,207 and withdrew £28,668. At the year end £590,147 (2021 - £508,608) was owed to the directors.