

Company registration number 00356817 (England and Wales)

LODDINGTON FARM LIMITED
Unaudited Financial Statements
For The Year Ended 31 March 2023
Pages For Filing With Registrar

Loddington Farm Limited

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Loddington Farm Limited

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 2023

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 2023 which comprise, the balance sheet and the 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 22 December 2023. 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 07/16 AAF. 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 a 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 Limited

28 December 2023

Chartered Accountants

The Goods Shed
Jubilee Way
Faversham
Kent
England
ME13 8GD

Loddington Farm Limited

Balance Sheet

As At 31 March 2023

	Notes	£	2023 £	£	2022 £
Fixed assets					
Intangible assets	5		164,756		188,292
Tangible assets	6		1,391,352		1,391,448
Investments	7		50		50
			<u>1,556,158</u>		<u>1,579,790</u>
Current assets					
Stocks	8	185,535		222,856	
Debtors	9	157,786		216,358	
Cash at bank and in hand		52,329		24,878	
		<u>395,650</u>		<u>464,092</u>	
Creditors: amounts falling due within one year	10	(2,154,338)		(1,996,440)	
Net current liabilities			<u>(1,758,688)</u>		<u>(1,532,348)</u>
Total assets less current liabilities			<u>(202,530)</u>		<u>47,442</u>
Creditors: amounts falling due after more than one year	11		(801,483)		(903,965)
Net liabilities			<u>(1,004,013)</u>		<u>(856,523)</u>
Capital and reserves					
Called up share capital	13		3,500		3,500
Share premium account			297,524		297,524
Profit and loss reserves			(1,305,037)		(1,157,547)
Total equity			<u>(1,004,013)</u>		<u>(856,523)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

Loddington Farm Limited

Balance Sheet (Continued)

As At 31 March 2023

The financial statements were approved by the board of directors and authorised for issue on 28 December 2023 and are signed on its behalf by:

Mr JT A Smith

Director

Company Registration No. 00356817

Loddington Farm Limited

Notes To The Financial Statements

For The Year Ended 31 March 2023

I Accounting policies

Company information

Loddington Farm Limited is a private company limited by shares incorporated in England and Wales. The registered office is Loddington Farm, Loddington Lane, Linton, Maidstone, Kent, England, ME17 4AG.

I.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

I.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

I.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

I.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

I.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Loddington Farm Limited

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

I Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	Not depreciated
Tenants' improvements	2 - 15% reducing balance
Plant and machinery	10 - 25% reducing balance
Computers	15% straight line
Motor vehicles	15% reducing balance
Orchards (biological assets)	5% straight line

Assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Biological assets are growing crops 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.

I.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

I.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Loddington Farm Limited

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

I Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

I.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Biological assets

Biological assets are growing crops 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.

I.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

I.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loddington Farm Limited

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

I Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

I.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

I.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Loddington Farm Limited

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

I Accounting policies (Continued)

I.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

I.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

I.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023	2022
	Number	Number
Total	12	12
	==	==

Loddington Farm Limited

Notes To The Financial Statements (Continued) For The Year Ended 31 March 2023

4 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	(18,896)	(16,585)
Adjustments in respect of prior periods	(27,806)	(335)
Total current tax	<u>(46,702)</u>	<u>(16,920)</u>

5 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 April 2022 and 31 March 2023	<u>235,364</u>
Amortisation and impairment	
At 1 April 2022	47,072
Amortisation charged for the year	<u>23,536</u>
At 31 March 2023	<u>70,608</u>
Carrying amount	
At 31 March 2023	<u>164,756</u>
At 31 March 2022	<u>188,292</u>

Loddington Farm Limited

Notes To The Financial Statements (Continued)
For The Year Ended 31 March 2023

6 Tangible fixed assets		Freehold land and improvements		Assets under construction		Plant and machinery		Computers		Motor vehicles (biological assets)		Orchards		Total	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Cost															
At 1 April 2022	135,765	768,043	79,597	1,279,089	4,235	58,754	470,104	2,795,587							
Additions	-	-	144,713	31,476	1,079	-	-	177,268							
Disposals	-	-	-	(46,486)	-	(4,995)	-	(51,481)							
At 31 March 2023	135,765	768,043	224,310	1,264,079	5,314	53,759	470,104	2,921,374							
Depreciation and impairment															
At 1 April 2022	-	391,346	-	846,153	616	28,585	137,439	1,404,139							
Depreciation charged in the year	-	39,319	-	66,645	738	10,311	23,505	140,518							
Eliminated in respect of disposals	-	-	-	(12,851)	-	(1,784)	-	(14,635)							
At 31 March 2023	-	430,665	-	899,947	1,354	37,112	160,944	1,530,022							
Carrying amount															
At 31 March 2023	135,765	337,378	224,310	364,132	3,960	16,647	309,160	1,391,352							
At 31 March 2022	135,765	376,697	79,597	432,936	3,619	30,169	332,665	1,391,448							

Loddington Farm Limited

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

7 Fixed asset investments

	2023	2022
	£	£
Other investments other than loans	50	50

8 Stocks

Growing crop	36,685	10,060
Crop in store	141,993	189,465
Consumables	6,857	23,331

Biological assets included within stock are as follows:

Biological assets - growing crop

	2023	2022
	£	£
As at 1 April	10,060	9,848
Net movement on cultivations	26,625	212
As at 31 March	36,685	10,060

9 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	96,013	188,828
Corporation tax recoverable	35,481	16,585
Other debtors	-	7,018
Prepayments and accrued income	26,292	3,927
	157,786	216,358

10 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	510,026	438,102
Obligations under finance leases	19,289	19,960
Other borrowings	669,269	669,503
Trade creditors	180,729	164,541
Taxation and social security	1,461	-
Other creditors	679,438	622,025
Accruals and deferred income	94,126	82,309
	2,154,338	1,996,440

Loddington Farm Limited

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

11 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	764,112	809,612
Other creditors	37,371	94,353
	<u>801,483</u>	<u>903,965</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.

Creditors which fall due after five years are as follows:

	2023	2022
	£	£
Payable by instalments	462,978	158,686
Payable other than by instalments	141,400	141,400
	<u>604,378</u>	<u>300,086</u>

12 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	2,992	2,901
	<u></u>	<u></u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

13 Called up share capital

	2023	2022	2023	2022
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary of £1 each	3,500	3,500	3,500	3,500
	<u></u>	<u></u>	<u></u>	<u></u>
Preference share capital				
Issued and fully paid				
Preference of £1 each	500,000	500,000	500,000	500,000
	<u></u>	<u></u>	<u></u>	<u></u>
Preference shares classified as liabilities			500,000	500,000
			<u></u>	<u></u>

Loddington Farm Limited

Notes To The Financial Statements (Continued)

For The Year Ended 31 March 2023

13 Called up share capital

(Continued)

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 dividend equal to 1% of the capital paid up thereon, payable half yearly in arrears starting from the date of issue.

Preference shares treated as debt are included within other borrowings (see note 10).

14 Financial commitments, guarantees and contingent liabilities

The agreement under which the company acquired a fruit juice business in the year ended 31 March 2021, included a contingent element. The maximum amount payable brought forward if all targets were achieved is £50,000, payable in two annual payments of £25,000 in 2022 and £25,000 in 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 £19,850.

15 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2023	2022
£	£
84,700	48,348
<u>84,700</u>	<u>48,348</u>

The commitments under the operating leases are in respect of equipment used within the company's trade.

16 Related party transactions

During the year directors advanced the company £97,988 and withdrew £45,691. At the year end £642,444 (2022 - £590,147) was owed to the directors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.