

Company Registration No. 00716250 (England and Wales)

The Manydown Company Limited

**Unaudited financial statements
for the year ended 31 March 2021**

Pages for filing with the Registrar

The Manydown Company Limited

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The Manydown Company Limited

Balance sheet

As at 31 March 2021

| | | | 2021 | 2020 |
|----------------------------------------------------------------|-------|-------------|-------------|------|
| | Notes | £ | £ | £ |
| Fixed assets | | | | |
| Intangible assets | 3 | - | - | - |
| Tangible assets | 4 | 22,508,292 | 23,126,467 | |
| Investment properties | 5 | 6,985,000 | 5,787,000 | |
| Investments | 6 | 140,420 | 120,176 | |
| | | | | |
| | | 29,633,712 | 29,033,643 | |
| Current assets | | | | |
| Stocks | | 350,597 | 591,912 | |
| Biological assets | 7 | 319,694 | 236,990 | |
| Debtors | 8 | 1,310,151 | 580,878 | |
| Investments | 9 | 2,032,289 | 1,348,622 | |
| Cash at bank and in hand | | 2,289,114 | 3,047,833 | |
| | | | | |
| | | 6,301,845 | 5,806,235 | |
| Creditors: amounts falling due within one year | 10 | (1,018,333) | (640,504) | |
| | | | | |
| Net current assets | | 5,283,512 | 5,165,731 | |
| | | | | |
| Total assets less current liabilities | | 34,917,224 | 34,199,374 | |
| | | | | |
| Creditors: amounts falling due after more than one year | 11 | (1,000,000) | (1,400,000) | |
| | | | | |
| Provisions for liabilities | | (6,954,712) | (5,258,283) | |
| | | | | |
| Net assets | | 26,962,512 | 27,541,091 | |
| | | | | |
| Capital and reserves | | | | |
| Called up share capital | 12 | 300,400 | 300,400 | |
| Revaluation reserve | | 16,246,123 | 18,079,390 | |
| Other reserves | | 5,163,014 | 4,865,224 | |
| Profit and loss reserves | | 5,252,975 | 4,296,077 | |
| | | | | |
| Total equity | | 26,962,512 | 27,541,091 | |

The Manydown Company Limited

Balance sheet (continued)

As at 31 March 2021

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 2021 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.

The financial statements were approved by the board of directors and authorised for issue on 20 December 2021 and are signed on its behalf by:

R A Dickinson

Director

Company Registration No. 00716250

The Manydown Company Limited

Notes to the financial statements For the year ended 31 March 2021

1 Accounting policies

Company information

The Manydown Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is St Ann's Wharf, 112 Quayside, Newcastle Upon Tyne, NE1 3DX.

1.1 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for farm produce, property rental and associated property services and returns on investment achieved 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.

Farm produce includes wheat, barley and oilseed rape sales which follow the harvest year cycle.

Rental income is invoiced on a monthly basis, either in advance or in arrears. Wayleaves are received on a quarterly basis.

Returns on investments relate to dividend income for the portfolio held by the company. These are recognised at date of declaration.

The Manydown Company Limited

Notes to the financial statements (continued)

For the year ended 31 March 2021

1 Accounting policies (continued)

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation 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:

| | |
|-----------------------------------|-------------------|
| Basic Payment Scheme entitlements | 20% straight line |
|-----------------------------------|-------------------|

1.4 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.

Tangible fixed assets include investment properties valued by the Directors on an existing use open market value basis. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

| | |
|-----------------------------|-----------------------------------------------------------|
| Freehold land and buildings | 2% straight line on buildings and 7 years on improvements |
| Plant and machinery | 10% and 15% straight line |
| Motor vehicles | 20% straight line |

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.

1.5 Biological assets

Biological assets held by the company relate to growing crops. Growing crops are measured at cost.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1 Accounting policies (continued)

1.7 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.

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.

1.8 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.

The cost of crops and produce in store is determined by cost of production. The cost of purchased fertilisers, sprays, seeds, feed, oil and stores is based on purchase price. Cultivations are calculated by reference to purchased inputs and contract charges incurred in respect to growing crops at the year end.

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.

1.9 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.

The Manydown Company Limited

Notes to the financial statements (continued)

For the year ended 31 March 2021

1 Accounting policies (continued)

1.10 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.

Basic financial assets

Basic financial assets, which include debtors, 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.

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.

1.11 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.

The Manydown Company Limited

Notes to the financial statements (continued)

For the year ended 31 March 2021

1 Accounting policies (continued)

1.12 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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Government grants

The money receivable for the Basic Payment Scheme is recognised only when there is both compliance with relevant conditions for receipt of the Basic Payment Scheme and reasonable assurance as to its receipt.

The Manydown Company Limited

Notes to the financial statements (continued)
For the year ended 31 March 2021

2 Employees

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

| | 2021 | 2020 |
|-------|---------------|---------------|
| | Number | Number |
| Total | 6 | 6 |
| | ===== | ===== |

3 Intangible fixed assets

| | Basic Payment Scheme entitlements |
|------------------------------------|----------------------------------------------|
| | £ |
| Cost | |
| At 1 April 2020 and 31 March 2021 | 16,832 |
| | ----- |
| Amortisation and impairment | |
| At 1 April 2020 and 31 March 2021 | 16,832 |
| | ----- |
| Carrying amount | |
| At 31 March 2021 | - |
| | ===== |
| At 31 March 2020 | - |
| | ===== |

The Manydown Company Limited

Notes to the financial statements (continued)
For the year ended 31 March 2021

4 Tangible fixed assets

| | Land and buildings | Plant and machinery etc | Total |
|------------------------------------|-----------------------|----------------------------|------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2020 | 23,290,493 | 549,368 | 23,839,861 |
| Additions | 78,187 | - | 78,187 |
| Transfers | (650,000) | - | (650,000) |
| At 31 March 2021 | 22,718,680 | 549,368 | 23,268,048 |
| Depreciation and impairment | | | |
| At 1 April 2020 | 206,636 | 506,758 | 713,394 |
| Depreciation charged in the year | 29,391 | 16,971 | 46,362 |
| At 31 March 2021 | 236,027 | 523,729 | 759,756 |
| Carrying amount | | | |
| At 31 March 2021 | 22,482,653 | 25,639 | 22,508,292 |
| At 31 March 2020 | 23,083,857 | 42,610 | 23,126,467 |

5 Investment property

| | 2021 £ |
|-------------------|-----------|
| Fair value | |
| At 1 April 2020 | 5,787,000 |
| Additions | 195,000 |
| Transfers | 650,000 |
| Revaluations | 353,000 |
| At 31 March 2021 | 6,985,000 |

The Manydown Company Limited

Notes to the financial statements (continued)
For the year ended 31 March 2021

6 Fixed asset investments

| | 2021 | 2020 |
|------------------------------------|-------------------|-------------------|
| | £ | £ |
| Other investments other than loans | 140,420 | 120,176 |
| | <u> </u> | <u> </u> |

Movements in fixed asset investments

| | Investments other than loans £ |
|--------------------------|-----------------------------------------|
| Cost or valuation | |
| At 1 April 2020 | 120,176 |
| Valuation changes | 20,244 |
| | <u> </u> |
| At 31 March 2021 | 140,420 |
| | <u> </u> |
| Carrying amount | |
| At 31 March 2021 | 140,420 |
| | <u> </u> |
| At 31 March 2020 | 120,176 |
| | <u> </u> |

The Manydown Company Limited

Notes to the financial statements (continued)

For the year ended 31 March 2021

7 Biological assets

| | Growing Crops £ |
|-------------------------------------|--------------------|
| Cost | |
| At 1 April 2020 | 236,990 |
| Additions - procreation or planting | 319,694 |
| Harvest | (236,990) |
| | <hr/> |
| At 31 March 2021 | 319,694 |
| | <hr/> <hr/> |
| Shown as: | |
| Fixed assets | - |
| Current assets | 319,694 |
| | <hr/> |
| | 319,694 |
| | <hr/> <hr/> |

8 Debtors

| | 2021 £ | 2020 £ |
|---------------------------------------------|-------------|-------------|
| Amounts falling due within one year: | | |
| Trade debtors | 841,081 | 285,730 |
| Other debtors | 469,070 | 295,148 |
| | <hr/> | <hr/> |
| | 1,310,151 | 580,878 |
| | <hr/> <hr/> | <hr/> <hr/> |

9 Current asset investments

| | 2021 £ | 2020 £ |
|-------------------|-------------|-------------|
| Other investments | 2,032,289 | 1,348,622 |
| | <hr/> <hr/> | <hr/> <hr/> |

The Manydown Company Limited

Notes to the financial statements (continued)

For the year ended 31 March 2021

10 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|-----------------|------------------|----------------|
| | £ | £ |
| Bank loans | 400,000 | - |
| Trade creditors | 270,443 | 291,782 |
| Other creditors | 347,890 | 348,722 |
| | <u>1,018,333</u> | <u>640,504</u> |

11 Creditors: amounts falling due after more than one year

| | 2021 | 2020 |
|---------------------------|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts | 1,000,000 | 1,400,000 |
| | <u>1,000,000</u> | <u>1,400,000</u> |

Included in the bank loans is a short term loan of £400,000 (2020: £400,000) which is subject to a fixed rate of interest of 12% per annum. It is repayable in full in 2022 and the loan is secured on the freehold land known as Whitedown Farm, comprising 360 acres.

The balance of the loans, £1,000,000, is subject to a variable rate of interest of 2.75% per annum. This loan is repayable in full in 2045. These bank loans are also secured over Whitedown Farm (approx. 360 acres) in addition to part of Lower Farm and Rookery Farm.

12 Called up share capital

| | 2021 | 2020 | 2021 | 2020 |
|-------------------------------|----------------|----------------|----------------|----------------|
| | Number | Number | £ | £ |
| Ordinary share capital | | | | |
| Issued and fully paid | | | | |
| Ordinary shares of £1 each | 300,400 | 300,400 | 300,400 | 300,400 |
| | <u>300,400</u> | <u>300,400</u> | <u>300,400</u> | <u>300,400</u> |

13 Parent company

The immediate parent company is Manydown 2007 Limited and the ultimate parent company is Manydown Holdings Limited, companies registered in England and Wales.

14 Related party transactions

As at 31 March 2020, the Manydown Company Limited was owed £200,000 (2020: £200,000) by a related company, Manydown 2018 Limited.

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