

Tathwell Farms (Lincs) Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 January 2019

Tathwell Farms (Lincs) Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Financial Statements	<u>3 to 7</u>

Tathwell Farms (Lincs) Limited

Company Information

Directors R L Done
C J Done

Company secretary C J Done

Registered office Rookery Farm
Tathwell
Louth
Lincolnshire
LN11 9ST

Bankers Lloyds Bank PLC
24 Mercer Row
Louth
Lincolnshire
LN11 9JH

Tathwell Farms (Lincs) Limited

(Registration number: 00741065)

Balance Sheet as at 31 January 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	627,288	606,469
Current assets			
Stocks	<u>5</u>	700,918	641,602
Debtors	<u>6</u>	106,575	112,629
Cash at bank and in hand		350,450	20,466
		<u>1,157,943</u>	<u>774,697</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(248,152)</u>	<u>(391,481)</u>
Net current assets		<u>909,791</u>	<u>383,216</u>
Total assets less current liabilities		1,537,079	989,685
Provisions for liabilities		<u>(20,125)</u>	<u>(8,570)</u>
Net assets		<u>1,516,954</u>	<u>981,115</u>
Capital and reserves			
Called up share capital		46,433	38,100
Share premium reserve		491,647	-
Profit and loss account		<u>978,874</u>	<u>943,015</u>
Total equity		<u>1,516,954</u>	<u>981,115</u>

For the financial year ending 31 January 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 26 March 2019 and signed on its behalf by:

.....

C J Done
Company secretary and director

The notes on pages 3 to 7 form an integral part of these financial statements.

Tathwell Farms (Lincs) Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

1 General information

The company is a private company limited by share capital incorporated in England and Wales, registration number 00741065.

The address of its registered office is:

Rookery Farm

Tathwell

Louth

Lincolnshire

LN11 9ST

These financial statements cover the individual entity, Tathwell Farms (Lincs) Limited.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. A departure from requirements of FRS 102 has been detailed below.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The financial statements have been prepared in sterling and are rounded to the nearest pound.

Departure from requirements of FRS 102

No depreciation has been charged on freehold land and buildings as they are maintained to such a standard that their residual value is not less than their cost. Management have concluded that this does not affect the financial statements from showing a true and fair view. Apart from this departure the company has complied with the relevant accounting standards and legislation.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities, together with attributable area payments. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Other grants

Basic payment scheme is received in respect of calendar years. Receipt is contingent upon meeting eligibility criteria on 15 May. Once the criteria have been met, the income is recognised on a time apportioned basis over the calendar year to which it relates.

Tathwell Farms (Lincs) Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost of assets, other than land and properties under construction, less any estimated residual value, over their estimated useful lives. Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their residual value is not less than their cost, no depreciation is charged as it is not material.

Depreciation is charged as follows:

Asset class	Depreciation method and rate
Land and buildings	No depreciation
Tractors, combines and implements	20% - 33% per annum of cost
Grain store and drier	5% - 12.5% per annum of cost
Office equipment	12.5% - 20% per annum of cost
Motor vehicles	25% per annum of cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Tathwell Farms (Lincs) Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

Stocks

The basis of valuation is as follows:

Raw materials and consumables are stated at the lower of cost or net realisable value.

Tenantright is calculated by a combination of actual costs incurred and standard costs.

Produce on hand is valued at estimated cost of production.

Livestock is valued at the lower of standard cost or net realisable value.

Standard costings used are based upon calculation prepared by the Central Association of Agricultural Valuers.

The basis of valuation is consistent with previous years.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 6 (2018 - 6).

Tathwell Farms (Lincs) Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

4 Tangible assets

	Freehold land and buildings £	Other tangibles £	Plant and machinery £	Office equipment £	Motor vehicles £	
Cost or valuation						
At 1 February 2018	544,642	638,612	407,487	3,433	51,645	1
Additions	6,967	-	73,961	-	-	
Disposals	-	-	(8,643)	-	-	
At 31 January 2019	551,609	638,612	472,805	3,433	51,645	1
Depreciation						
At 1 February 2018	43,588	568,376	383,974	3,303	40,109	1
Charge for the year	277	23,413	30,586	64	5,769	
Eliminated on disposal	-	-	(8,643)	-	-	
At 31 January 2019	43,865	591,789	405,917	3,367	45,878	1
Carrying amount						
At 31 January 2019	507,744	46,823	66,888	66	5,767	
At 31 January 2018	501,054	70,236	23,513	130	11,536	

5 Stocks

	2019 £	2018 £
Raw materials and consumables	134,758	104,595
Tenantright	394,055	362,318
Other inventories	172,105	174,689
	700,918	641,602

6 Debtors

2019 2018

	£	£
Trade debtors	14,924	24,535
Other debtors	25,839	40,868
Prepayments and accrued income	65,812	47,226
	<hr/>	<hr/>
Total current trade and other debtors	106,575	112,629
	<hr/>	<hr/>

Tathwell Farms (Lincs) Limited

Notes to the Financial Statements for the Year Ended 31 January 2019

7 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Bank loans and overdrafts	14,619	18,595
Trade creditors	166,525	155,367
Taxation and social security	3,371	6,969
Other creditors	238	150,086
Accruals and deferred income	63,399	60,464
	<u>248,152</u>	<u>391,481</u>

Creditors amounts falling due within one year on which security has been given includes a bank overdraft of £14,619 (2018 - £18,595).

The bank overdraft is secured by charges over the company's assets and personal guarantees given by the company's directors.

8 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Bank overdraft	14,619	18,595
Directors' loan account	-	150,000
	<u>14,619</u>	<u>168,595</u>

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £50,656 (2018 - £135,109).

Page 7

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.