

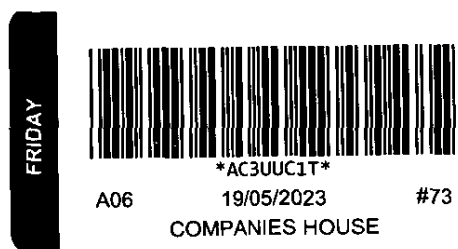
Registered number: 01161464

A.L.I.H. (FARMS) LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



A.L.I.H. (FARMS) LIMITED

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A.L.I.H. (FARMS) LIMITED

REVISED DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and the financial statements for the year ended 31 March 2022.

Dividends

The company did not pay any dividends during the year (2021: £nil).

Directors

The directors who served during the year and up to the date of signing the financial statements were:

Adam Dakin
Graham Edwards
Russell Gurnhill
Michael Hackenbroch
Graeme Hunter
James Stone

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006), commonly known as Directors' and Officers' insurance, in relation to certain losses and liabilities which the directors may incur (or have incurred) to third parties in the course of their professional duties, were in force for the directors for their periods of directorship and at the date of this report.

Going concern

The company has net assets of £372,000 and net current assets of £200,000 as at 31 March 2022.

The directors believe that the company has sufficient resources to meet its liabilities for at least the next twelve months and as such these financial statements have been prepared on a going concern basis.

Future developments

It is not envisaged that the company will initiate any plans to restructure its principal activities in the forthcoming year.

A.L.I.H. (FARMS) LIMITED

**REVISED DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

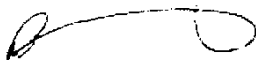
The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. They have also taken advantage of the exemptions provided by section 414B of the Companies Act 2006 in not preparing a Strategic Report.

This report was approved by the board on 5 May 2023 and signed by order of the board.



Aaron Burns
Company Secretary

A.L.I.H. (FARMS) LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £000	2021 £000
Operating expenses		(53)	(36)
Net valuation movements on investment properties (including profit and losses on disposal)	7	9	285
Operating (loss)/profit		<u>(44)</u>	<u>249</u>
Interest receivable and similar income	4	9	-
Interest payable and similar expenses	5	-	(15)
(Loss)/profit before tax		<u>(35)</u>	<u>234</u>
Tax on loss/profit	6	2	(44)
(Loss)/profit after tax for the financial year		<u><u>(33)</u></u>	<u><u>190</u></u>
Retained earnings at the beginning of the year		405	215
(Loss)/profit for the financial year		(33)	190
Retained earnings at the end of the year		<u><u>372</u></u>	<u><u>405</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of income and retained earnings.

The notes on pages 5 to 13 form part of these financial statements.

A.L.I.H. (FARMS) LIMITED

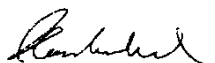
**BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £000	2021 £000
Fixed assets			
Investment property	7	190	1,031
		<u>190</u>	<u>1,031</u>
Current assets			
Debtors: amounts falling due within one year	8	293	11
		<u>293</u>	<u>11</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(93)	(563)
		<u>(93)</u>	<u>(563)</u>
Net current assets/(liabilities)		200	(552)
Total assets less current liabilities		<u>390</u>	<u>479</u>
Provisions for liabilities			
Deferred tax	10	(18)	(74)
		<u>(18)</u>	<u>(74)</u>
Net assets		<u>372</u>	<u>405</u>
Capital and reserves			
Called up share capital	11	-	-
Retained earnings		372	405
Total equity		<u>372</u>	<u>405</u>

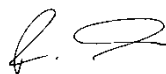
For the year ending 31 March 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors 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 were approved and authorised for issue by the board and were signed on its behalf on 5 May 2023.



Michael Hackenbroch
Director



Russell Gurnhill
Director

The notes on pages 5 to 13 form part of these financial statements.

A.L.I.H. (FARMS) LIMITED

NOTES TO THE REVISED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies

General information

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of the company's registered office, which is also the company's principal place of business is provided in note 13. The principal activity of the company is to invest in land for development.

Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain assets, and in compliance with the Companies Act 2006 and Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

The financial statements have been prepared in Sterling (rounded to the nearest thousand pounds), which is the functional and presentational currency of the company.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

Going concern

The company has net assets of £372,000 and net current assets of £200,000 as at 31 March 2022.

The directors believe that the company has sufficient resources to meet its liabilities for at least the next twelve months and as such these financial statements have been prepared on a going concern basis.

Disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

(i) preparation of a statement of cash flows in accordance with paragraph 1A.7 of FRS 102, on the basis that it is a small entity;

(ii) preparation of a statement of changes in equity in accordance with paragraph 1A.7 of FRS 102, on the basis that it is a small entity;

(iii) certain financial instrument disclosures in accordance with paragraph 1.12 (c) of FRS 102, on the basis that the equivalent disclosures are included in a parent company's own consolidated financial statements. This information is included in the consolidated financial statements of Lands Improvement Group Limited as at 31 March 2022; and

(iv) related party disclosures in accordance with paragraph 33.1A of FRS 102, to the extent that the company transacts with other wholly owned subsidiaries of the group.

The following principal accounting policies have been applied consistently to all years presented unless stated otherwise:

Operating expenses

Operating expenses are recognised in the Statement of Income and Retained Earnings on an accruals basis.

A.L.I.H. (FARMS) LIMITED

**NOTES TO THE REVISED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. Accounting policies (continued)

Interest

Interest income and expense are recognised in the Statement of Income and Retained Earnings using the effective interest method.

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

Current and deferred taxation

Tax is recognised in profit for the financial period, 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 income tax charge is calculated based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax on profit on ordinary activities includes amounts paid or received for group relief in respect of tax losses claimed and surrendered in the current period.

Deferred 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A.L.I.H. (FARMS) LIMITED

NOTES TO THE REVISED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

Investment property

Investment properties are those properties that are held either to earn rental income or for capital appreciation, or both. Investment properties are measured initially at cost including transaction costs.

Investment properties are carried in the financial statements at fair values based on the latest professional valuation on an open market basis as of each reporting date. Properties are treated as acquired and sold when the company is subject to an unconditional purchase or sales contract. Profits/losses and valuation gains and diminutions in value are recognised within net valuation movements on investment properties in the Statement of Income and Retained Earnings.

In accordance with FRS 102, depreciation is not provided on investment properties. This is a departure from the Companies Act 2006 which requires all tangible assets to be depreciated. In the opinion of the directors, this departure is necessary for the financial statements to give a true and fair view and comply with applicable accounting standards which require investment properties to be included in the financial statements at fair value. The effect of depreciation is implicitly reflected in the valuation of investment properties, and the amount attributable to this factor cannot reasonably be separately identified or quantified by the valuers. Had the provisions of the Act been followed, assets would not have been affected but operating costs would have increased for this and earlier years and valuation movements would have correspondingly changed. There would be no impact on profit for the period.

Financial instruments

The company has adopted the provisions of sections 11 and 12 of FRS 102.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash at bank and in hand and amounts owed by group undertakings, are recognised initially at transaction price, unless the transaction constitutes a financing arrangement, e.g. significantly deferred credit terms, where the transaction is measured at the present value of future receipts discounted at the market rate of interest. Such assets are held at amortised cost using the effective interest rate method.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

The impairment loss is measured as the difference between an asset's carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after it was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Income and Retained Earnings.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled, or substantially all the risks and rewards of the ownership of the asset are transferred to another party, or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

A.L.I.H. (FARMS) LIMITED

NOTES TO THE REVISED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

Financial instruments (continued)

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and amounts owed to group undertakings, are recognised initially at transaction price, unless the transaction constitutes a financing arrangement, e.g. significantly deferred credit terms where the transactions is measured at the present value of future payments discounted at the market rate of interest. Such liabilities are held at amortised cost using the effective interest rate method.

Debt instruments (other than those wholly repayable within one year), including loans and other accounts payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method.

Debt instruments that are payable within one year, typically trade creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, such as the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate the financial liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2. Judgements in applying accounting policies

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Investment property valuations

Properties are valued by a qualified chartered surveyor. Valuations are made as at the reporting date and conform to International Valuation Standards. Valuations are made using various assumptions and estimations which include, but are not limited to, market yields, transaction prices of similar properties, tenure and tenancy details.

A.L.I.H. (FARMS) LIMITED**NOTES TO THE REVISED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****3. Directors' emoluments**

	2022 £000	2021 £000
Aggregate emoluments excluding long term incentive schemes and pensions	13	13
Aggregate amounts receivable under long term incentive schemes	42	45
	<u>55</u>	<u>58</u>

Directors are remunerated by Telereal Services Limited and Empire LIH Limited, fellow group undertakings.

Two (2021: two) directors are members of a defined contribution scheme and no (2021: no) directors are accruing benefits under a defined benefit scheme.

The company did not have any employees during the year under review (2021: nil).

4. Interest receivable and similar income

	2022 £000	2021 £000
Interest receivable from group companies	8	-
Other interest receivable	1	-
	<u>9</u>	<u>-</u>

5. Interest payable and similar expenses

	2022 £000	2021 £000
Interest payable to group companies	-	15

A.L.I.H. (FARMS) LIMITED**NOTES TO THE REVISED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****6. Tax on loss/profit**

	2022 £000	2021 £000
Corporation tax		
Current tax on loss/profit for the year	54	(10)
Total current tax	<u>54</u>	<u>(10)</u>
Deferred tax		
Origination and reversal of timing differences (note 10)	(79)	54
Effect of rate change on brought forward timing differences	23	-
Total deferred tax	<u>(56)</u>	<u>54</u>
Tax (credit)/charge on ordinary activities	<u>(2)</u>	<u>44</u>

The tax credit/charge assessed for the period can be reconciled to the profit/loss per the Statement of Income and Retained Earnings as follows:

	2022 £000	2021 £000
(Loss)/profit before tax	<u>(35)</u>	<u>234</u>
Loss/profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(7)	44
Effects of:		
Expenses not deductible for tax purposes	3	-
Profit on sale of fixed assets	(2)	-
Capital gains	60	-
Effect of rate change on brought forward timing differences	23	-
Deferred tax on property disposals	(79)	-
Total tax (credit)/charge for the year	<u>(2)</u>	<u>44</u>

Effect of rate change on brought forward timing differences reflects the remeasurement of opening temporary differences from the current tax rate of 19% and the deferred (future) tax rate of 25%.

Factors that may affect future tax charges

On 11 March 2021, the 2021 Budget announced an increase in the rate of UK corporation tax, effective from 1 April 2023, from 19% to 25%. This change was included in Finance Act 2021 which was substantively enacted on 24 May 2021, and granted Royal Assent on 10 June 2021.

A.L.I.H. (FARMS) LIMITED

**NOTES TO THE REVISED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. Investment property

	Freehold investment property £000
Valuation	
At 1 April 2021	1,031
Disposals	(841)
	<hr/>
At 31 March 2022	190
	<hr/> <hr/>

During the year the company sold some land for a profit of £9,000.

As at 31 March 2022 and 31 March 2021 the company's investment property was valued internally by a chartered surveyor who is a member of the Royal Institution of Chartered Surveyors (RICS). The valuations are prepared in accordance with the valuation principles of the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

8. Debtors: amounts falling due within one year

	2022 £000	2021 £000
Amounts owed by group undertakings	293	-
Other debtors	-	1
Tax recoverable	-	10
	<hr/>	<hr/>
	293	11
	<hr/> <hr/>	<hr/> <hr/>

Amounts owed by group undertakings are unsecured, repayable on demand and have an interest rate of the base lending rate of Barclays Bank PLC plus 3% per annum.

There are no material differences between the carrying value and fair value of debtors as at 31 March 2022 and 31 March 2021.

A.L.I.H. (FARMS) LIMITED

NOTES TO THE REVISED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

9. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Amounts owed to group undertakings	39	555
Corporation tax	54	-
VAT payable	-	8
	<u>93</u>	<u>563</u>

Amounts owed to group undertakings are unsecured and repayable on demand. The interest rate on these balances is 0% (2021: the base lending rate of Barclays Bank PLC plus 3% per annum).

There are no material differences between the carrying value and fair value creditors as at 31 March 2022 and 31 March 2021.

10. Deferred tax

	2022 £000	2021 £000
At the beginning of the year	(74)	(20)
Credited/(charged) to profit and loss	79	(54)
Effect of rate change on brought forward timing difference	(23)	-
At the end of the year	<u>(18)</u>	<u>(74)</u>

The provision for deferred taxation is made up as follows:

	2022 £000	2021 £000
Uncrystallised capital gains	<u>(18)</u>	<u>(74)</u>

11. Called up share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
1 (2021 - 1) Ordinary share of £1.00	<u>-</u>	<u>-</u>

A.L.I.H. (FARMS) LIMITED

NOTES TO THE REVISED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

12. Commitments and guarantees

The company is a guarantor and obligor to a five year HSBC Bank Plc facility, maturing in March 2026, extended to LIH Financing Limited ("LIHFL"), a parent company. The company, together with other fellow group undertakings jointly and severally guarantee the obligations of each party to the borrowing. The loan is secured on land held by certain LIHFL subsidiaries.

13. Controlling party

A.L.I.H. (Farms) Limited is incorporated in England and Wales and is a wholly owned subsidiary of Lands Improvement Holdings Limited, also incorporated in England and Wales.

The ultimate parent undertaking and controlling party is Field Nominees Limited (incorporated in Bermuda), as nominee for the B Pears 1967 Family Trust. The largest parent undertaking to consolidate these financial statements is TTRE Group Limited, which is incorporated in Jersey.

The smallest group of companies to consolidate the results of the company is Lands Improvement Group Limited, which is registered in England and Wales at 140 London Wall, London EC2Y 5DN, which is also the registered address and principal place of business of A.L.I.H. (Farms) Limited.