

PRIME IRRIGATION LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2018

PRIME IRRIGATION LIMITED
REGISTERED NUMBER:01208495

BALANCE SHEET
AS AT 31 JANUARY 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	119,370	143,075
		<u>119,370</u>	<u>143,075</u>
Current assets			
Stocks	5	141,273	110,294
Debtors: amounts falling due within one year	6	349,047	410,943
Cash at bank and in hand		677,426	550,118
		<u>1,167,746</u>	<u>1,071,355</u>
Creditors: amounts falling due within one year	7	(394,701)	(399,293)
Net current assets		<u>773,045</u>	<u>672,062</u>
Total assets less current liabilities		<u>892,415</u>	<u>815,137</u>
Creditors: amounts falling due after more than one year	8	(6,878)	-
Provisions for liabilities			
Deferred tax	10	(11,934)	(13,355)
		<u>(11,934)</u>	<u>(13,355)</u>
Net assets		<u>873,603</u>	<u>801,782</u>
Capital and reserves			
Called up share capital		500	500
Profit and loss account		873,103	801,282
		<u>873,603</u>	<u>801,782</u>

PRIME IRRIGATION LIMITED
REGISTERED NUMBER:01208495

BALANCE SHEET (CONTINUED)
AS AT 31 JANUARY 2018

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 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 profit and loss account 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:

.....
K I Prime

Director

Date: 6 March 2018

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018**

1. General information

Prime Irrigation Limited is a private company limited by shares and incorporated in England and Wales, registration number 01208495. The registered office is Trustans Farm, Westleton Road, Darsham, Saxmundham, Suffolk, IP17 3BP.

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 sterling which is the functional currency of the company and rounded to the nearest £.

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

2.2 Turnover

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 is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Leasehold property	- 4% straight line
Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to the Profit and loss account 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. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 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.

2.12 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 income 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.

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2017 - 12).

PRIME IRRIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

4. Tangible fixed assets

	Leasehold property £	Plant & machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 February 2017	150,673	298,843	165,388	614,904
Additions	-	3,000	41,205	44,205
Disposals	-	(68,133)	(37,590)	(105,723)
At 31 January 2018	150,673	233,710	169,003	553,386
Depreciation				
At 1 February 2017	128,137	240,591	103,102	471,830
Charge for the year on owned assets	22,536	11,416	19,983	53,935
Charge for the year on financed assets	-	-	4,585	4,585
Disposals	-	(63,960)	(32,372)	(96,332)
At 31 January 2018	150,673	188,047	95,298	434,018
Net book value				
At 31 January 2018	-	45,663	73,705	119,368
At 31 January 2017	22,536	58,252	62,287	143,075

PRIME IRRIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

4. Tangible fixed assets (continued)

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

	2018 £	2017 £
Motor vehicles	13,755	10,414
	<u>13,755</u>	<u>10,414</u>

5. Stocks

	2018 £	2017 £
Work in progress (goods to be sold)	19,806	25,252
Finished goods and goods for resale	121,467	85,042
	<u>141,273</u>	<u>110,294</u>

6. Debtors

	2018 £	2017 £
Trade debtors	322,404	301,763
Other debtors	3,173	86,659
Prepayments and accrued income	23,470	22,521
	<u>349,047</u>	<u>410,943</u>

PRIME IRRIGATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	230,899	307,913
Corporation tax	54,888	30,263
Other taxation and social security	58,037	37,733
Obligations under finance lease and hire purchase contracts	9,170	6,943
Other creditors	27,457	9,692
Accruals and deferred income	14,250	6,750
	<u>394,701</u>	<u>399,294</u>

8. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	6,878	-
	<u>6,878</u>	<u>-</u>

Secured loans

The hire purchase liability is secured.

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	9,170	-
Between 1-5 years	6,878	-
	<u>16,048</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

10. Deferred taxation

	2018 £
At beginning of year	(13,355)
Charged to profit or loss	1,421
At end of year	<u>(11,934)</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(11,934)	(13,355)
	<u>(11,934)</u>	<u>(13,355)</u>

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £26,275 (2017 - £25,943).