

Registration number: 01316813

Roy Harness And Sons Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2023

Saul Fairholm Limited
12 Tentercroft Street
Lincoln
Lincolnshire
LN5 7DB

Roy Harness And Sons Limited

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Roy Harness And Sons Limited

Company Information

Directors	Mr G Harness Mr S Harness Mr C Harness
Registered office	Portland House Lodge Road Tattershall Lincolnshire LN4 4LL
Accountants	Saul Fairholm Limited 12 Tentercroft Street Lincoln Lincolnshire LN5 7DB

Roy Harness And Sons Limited
(Registration number: 01316813)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	951,606	867,971
Current assets			
Stocks	<u>5</u>	271,803	282,005
Debtors	<u>6</u>	290,048	261,883
Cash at bank and in hand		154,738	132,436
		<u>716,589</u>	<u>676,324</u>
Creditors: Amounts falling due within one year	<u>7</u>	(527,336)	(564,977)
Net current assets		<u>189,253</u>	<u>111,347</u>
Total assets less current liabilities		1,140,859	979,318
Creditors: Amounts falling due after more than one year	<u>7</u>	(211,447)	(225,983)
Provisions for liabilities		<u>(21,898)</u>	<u>(67,545)</u>
Net assets		<u>907,514</u>	<u>685,790</u>
Capital and reserves			
Called up share capital		35	35
Retained earnings		<u>907,479</u>	<u>685,755</u>
Shareholders' funds		<u>907,514</u>	<u>685,790</u>

For the financial year ending 31 March 2023 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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 11 December 2023 and signed on its behalf by:

Roy Harness And Sons Limited
(Registration number: 01316813)
Balance Sheet as at 31 March 2023

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Mr C Harness
Director

Roy Harness And Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

1 General information

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

The address of its registered office and principal place of business is:

Portland House
Lodge Road
Tattershall
Lincolnshire
LN4 4LL

These financial statements were authorised for issue by the Board on 11 December 2023.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

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. 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.

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.

Roy Harness And Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet 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 charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	not depreciated
Tenant fixtures	10% straight line method
Farm implements and machinery	15% on reducing balance, 4% straight line
Tractors	25% on reducing balance
Motor vehicles	25% on reducing balance
Office equipment	15% on reducing balance

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 initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, 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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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 initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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 with contracts of employment) during the year was 5 (2022 - 5).

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

4 Tangible assets

	Freehold land and buildings £	Tenant fixtures £	Farming implements and machinery £	Tractors £	Motor vehicles £	Office equipment £	Total £
Cost or valuation							
At 1 April 2022	512,470	40,599	856,525	330,871	8,000	896	1,749,361
Additions	6,037	-	16,400	138,030	13,950	-	174,417
Disposals	(38,084)	-	-	(70,750)	-	-	(108,834)
At 31 March 2023	480,423	40,599	872,925	398,151	21,950	896	1,814,944
Depreciation							
At 1 April 2022	-	40,599	579,780	252,639	7,493	879	881,390
Charge for the year	-	-	25,001	20,977	127	-	46,105
Eliminated on disposal	-	-	-	(64,157)	-	-	(64,157)
At 31 March 2023	-	40,599	604,781	209,459	7,620	879	863,338
Carrying amount							
At 31 March 2023	480,423	-	268,144	188,692	14,330	17	951,606
At 31 March 2022	512,470	-	276,745	78,232	507	17	867,971

Roy Harness And Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

5 Stocks

	2023 £	2022 £
Produce	9,951	7,437
Livestock	153,103	167,784
Tenantryright	38,772	78,966
Consumables	69,977	27,818
	<u>271,803</u>	<u>282,005</u>

6 Debtors

	2023 £	2022 £
Trade debtors	39,216	39,853
Prepayments	3,415	3,373
Other debtors	247,417	218,657
	<u>250,832</u>	<u>222,030</u>
	<u>290,048</u>	<u>261,883</u>

7 Creditors

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings	8	141,717	125,216
Trade creditors		39,070	47,935
Taxation and social security		9,171	53,140
Other creditors		337,378	338,686
		<u>527,336</u>	<u>564,977</u>

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings	8	<u>211,447</u>	<u>225,983</u>

Roy Harness And Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

8 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	180,746	188,024
Hire purchase contracts	30,701	-
Other borrowings	-	37,959
	<u>211,447</u>	<u>225,983</u>

	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	14,505	23,038
Hire purchase contracts	30,701	5,667
Other borrowings	96,511	96,511
	<u>141,717</u>	<u>125,216</u>

Bank borrowings

Bank loans is denominated in £ with a nominal interest rate of market rate. The carrying amount at year end is £195,250 (2022 - £211,062).

Other borrowings

Hire Purchase is denominated in £ with a nominal interest rate of market rate, and the final instalment is due on 31 March 2025. The carrying amount at year end is £61,402 (2022 - £5,667).

Other loans is denominated in £ with a nominal interest rate of market rate. The carrying amount at year end is £96,511 (2022 - £134,470).

Included in the loans and borrowings are the following amounts due after more than five years:

	2023 £	2022 £
Due after more than five years		
After more than five years by instalments	-	132,037
	<u>-</u>	<u>132,037</u>

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Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

9 Related party transactions

Transactions with directors

	At 1 April 2022 £	Advances to director £	Repayments by director £	At 31 March 2023 £
2023				
Mr S Harness				
Loan with interest charged	159,622	21,393	(22,761)	158,254

	At 1 April 2021 £	Advances to director £	Repayments by director £	At 31 March 2022 £
2022				
Mr S Harness				
Loan with interest charged	145,975	35,731	(22,084)	159,622

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.