

Unaudited Financial Statements
For The Year Ended 31 December 2021
for
Western Arable Services Limited

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For The Year Ended 31 December 2021

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Western Arable Services Limited
Company Information
For The Year Ended 31 December 2021

DIRECTORS:

P H Smith
J E Russell
Mrs C Russell
Mrs H J Smith

SECRETARY:

P H Smith

REGISTERED OFFICE:

Goodridge Court
Goodridge Avenue
Gloucester
Gloucestershire
GL2 5EN

REGISTERED NUMBER:

02793000 (England and Wales)

ACCOUNTANTS:

Kingscott Dix Limited
Chartered Accountants
Goodridge Court
Goodridge Avenue
Gloucester
Gloucestershire
GL2 5EN

BANKERS:

National Westminster Bank Plc
21 Eastgate Street
Gloucester
GL1 1NH

SOLICITORS:

Langley Wellington
Royal House
60 Bruton Way
Gloucester
GL1 1EP

Statement of Financial Position
31 December 2021

	Notes	31.12.21 £	£	31.12.20 £	£
FIXED ASSETS					
Tangible assets	4		1,650		2,861
CURRENT ASSETS					
Stocks	5	383,000		322,000	
Debtors	6	2,325,266		1,721,637	
Cash in hand		26		23	
		<u>2,708,292</u>		<u>2,043,660</u>	
CREDITORS					
Amounts falling due within one year	7	<u>2,046,620</u>		<u>1,440,417</u>	
NET CURRENT ASSETS			<u>661,672</u>		<u>603,243</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>663,322</u>		<u>606,104</u>
CAPITAL AND RESERVES					
Called up share capital	9		102,500		102,500
Retained earnings			<u>560,822</u>		<u>503,604</u>
SHAREHOLDERS' FUNDS			<u>663,322</u>		<u>606,104</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 29 September 2022 and were signed on its behalf by:

J E Russell - Director

Notes to the Financial Statements
For The Year Ended 31 December 2021

1. STATUTORY INFORMATION

Western Arable Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the sale of grain and cereal crops, and other services provided 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

Depreciation is calculated to write off the cost of fixed assets less their residual values over their estimated useful lives at the following rates per annum:

Plant and machinery	20% on cost
Fixtures and fittings	20% on cost
Motor vehicles	20% on cost

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 present location and condition.

Stocks held for distribution at no nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

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.

Notes to the Financial Statements - continued
For The Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents 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.

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 statement of financial position 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 trade and other debtors and cash and bank balances, 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, and loans from related companies 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. 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. Accounts 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Notes to the Financial Statements - continued
For The Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Assets that are held by Company under leases which transfer to the Company substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Company are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised. Contingent rentals are recognised as expenses in the period in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the Financial Statements - continued
For The Year Ended 31 December 2021

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2020 - 10) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2021	81,409	24,684	64,000	170,093
Additions	-	304	-	304
At 31 December 2021	<u>81,409</u>	<u>24,988</u>	<u>64,000</u>	<u>170,397</u>
DEPRECIATION				
At 1 January 2021	81,225	22,007	64,000	167,232
Charge for year	50	1,465	-	1,515
At 31 December 2021	<u>81,275</u>	<u>23,472</u>	<u>64,000</u>	<u>168,747</u>
NET BOOK VALUE				
At 31 December 2021	<u>134</u>	<u>1,516</u>	-	<u>1,650</u>
At 31 December 2020	<u>184</u>	<u>2,677</u>	-	<u>2,861</u>

5. STOCKS

	31.12.21 £	31.12.20 £
Stocks	<u>383,000</u>	<u>322,000</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Trade debtors	1,535,066	865,388
Other debtors	330	330
Amount due from related company	166,755	123,359
Corporation tax recoverable	12,999	-
VAT	53,823	33,062
Prepayments and accrued income	556,293	699,498
	<u>2,325,266</u>	<u>1,721,637</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Bank loans and overdrafts	642,880	555,380
Trade creditors	1,347,672	838,655
Corporation tax	8,686	26,683
Social security and other taxes	8,852	8,624
Other creditors	514	543
Accruals and deferred income	38,016	10,532
	<u>2,046,620</u>	<u>1,440,417</u>

Notes to the Financial Statements - continued
For The Year Ended 31 December 2021

8. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.21	31.12.20
	£	£
Bank overdrafts	<u>642,880</u>	<u>555,380</u>

A debenture is held over the assets on the company with regard to a bank loan in related company Abbey Cereals Limited.

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.21	31.12.20
			£	£
100,000	Ordinary "A"	£1	100,000	100,000
2,500	Ordinary "B"	£1	<u>2,500</u>	<u>2,500</u>
			<u>102,500</u>	<u>102,500</u>

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.