

# **Letchworth Garden City Farms Limited**

Report and Financial Statements

Year Ended

30 September 2012

Company Number 03082251

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# **Letchworth Garden City Farms Limited**

## **Report and financial statements for the year ended 30 September 2012**

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### **Directors**

I Webb  
C Chatfield  
J M Lewis  
L A Needham  
A Brace

### **Secretary and registered office**

I Webb, Foundation House, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 1GD

### **Deputy secretary**

J Kaur

### **Company number**

03082251

### **Auditors**

BDO LLP, 66 Broomfield Road, Chelmsford, Essex, CM1 1SW

# **Letchworth Garden City Farms Limited**

## **Report of the directors for the year ended 30 September 2012**

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The directors present their report together with the audited financial statements for the year ended 30 September 2012

### **Results**

The profit and loss account is set out on page 5 and shows the profit for the year

### **Principal activities and review of business**

The principal activities during the year reflected the termination of the farm business tenancy agreement effective 30 September 2011 with the disposal of the arable farm assets and the distribution of stock held at the 30 September 2011

Standalone farm, an educational enterprise was the sole focus of the company through to the 30 September 2012 when, subsequent to a decision taken by the board, the business and assets were transferred to the ultimate parent entity Letchworth Garden City Heritage Foundation

### **Directors**

The directors of the company during the year were

I Webb  
C Chatfield  
J M Lewis  
L A Needham  
A Brace (appointed 12 January 2012)

### **Directors' responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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 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. They 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.

# **Letchworth Garden City Farms Limited**

## **Report of the directors for the year ended 30 September 2012 (continued)**

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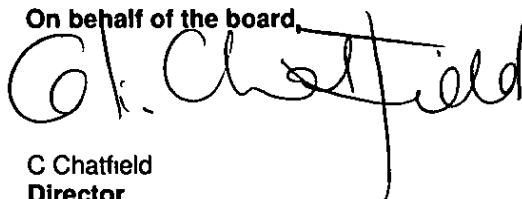
### **Auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

In preparing this directors' report advantage has been taken of the small companies' exemption.

On behalf of the board,

A handwritten signature in black ink, appearing to read 'C Chatfield', written over a horizontal line.

**C Chatfield  
Director**

12/2/13

# **Letchworth Garden City Farms Limited**

## **Independent auditor's report**

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### **To the members of Letchworth Garden City Farms Limited**

We have audited the financial statements of Letchworth Garden City Farms Limited for the year ended 30 September 2012 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# Letchworth Garden City Farms Limited

## Independent auditor's report (*continued*)

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### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime



Donald Bawtree (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Chelmsford  
United Kingdom

20/2/13

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# Letchworth Garden City Farms Limited

## Profit and loss account for the year ended 30 September 2012

	Note	Total 2012 £	Total 2011 £
<b>Turnover</b>	2	<b>326,869</b>	1,394,022
Administrative expenses		<b>245,842</b>	1,879,777
		<b>81,027</b>	(485,755)
Other operating income		<b>(3,993)</b>	128,919
<b>Operating profit/(loss)</b>	3	<b>77,034</b>	(356,836)
Other interest receivable and similar income	5	<b>6,964</b>	2,666
<b>Profit/(loss) on ordinary activities before and after taxation for the financial year</b>		<b>83,998</b>	(354,170)

The notes on pages 7 to 11 form part of these financial statements

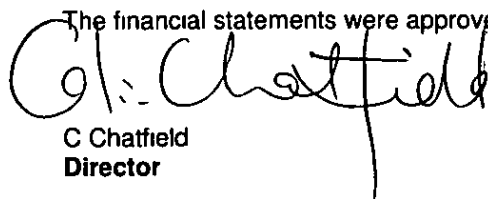
# Letchworth Garden City Farms Limited

## Balance sheet at 30 September 2012

<i>Company number 03082251</i>	Note	2012 £	2012 £	2011 £	2011 £
<b>Fixed assets</b>					
Tangible assets	6		-		70,490
Fixed asset investments	7		-		73
			-		70,563
<b>Current assets</b>					
Stocks	8	-		413,252	
Debtors	9	1,992		641,588	
Cash at bank and in hand		1,227,894		484,290	
		1,229,886		1,539,130	
<b>Creditors: amounts falling due within one year</b>	10	222,186		685,991	
<b>Net current assets</b>			1,007,700		853,139
<b>Total assets less current liabilities</b>			1,007,700		923,702
<b>Capital and reserves</b>					
Called up share capital	11		2		2
Profit and loss account	12		1,007,698		923,700
<b>Shareholders' funds</b>			1,007,700		923,702

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board of directors and authorised for issue on 12/2/13

  
C Chatfield  
Director

The notes on pages 7 to 11 form part of these financial statements



# Letchworth Garden City Farms Limited

## Notes forming part of the financial statements for the year ended 30 September 2012

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### 1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008)

The following principal accounting policies have been applied

#### *Turnover*

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of value added tax and trade discounts. Turnover is recognised on an accruals basis

#### *Depreciation*

Depreciation is provided to write off the cost, less estimated residual values of all tangible fixed assets over their expected useful lives. It is calculated at the following rates

Freehold land and buildings	- 10% straight line
Plant and machinery	- 20% straight line
Motor vehicles	- 20% straight line
Heavy plant and equipment	- 20% reducing balance method per annum

#### *Stocks*

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis or estimated cost of production, as appropriate. Net realisable value is based on estimated selling price less additional costs to completion and disposal

#### *Deferred taxation*

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 the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

#### *Leased assets*

All leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease

### 2 Turnover

Turnover arises solely within the United Kingdom

# Letchworth Garden City Farms Limited

Notes forming part of the financial statements  
for the year ended 30 September 2012 (*continued*)

## 3 Operating profit/(loss)

	2012 £	2011 £
This is arrived at after charging		
Depreciation of tangible fixed assets	17,907	76,071
Auditors' remuneration - fees payable to the company's auditor for the audit of the company's annual accounts	4,512	6,000
	<u>          </u>	<u>          </u>

## 4 Directors' remuneration

No director received any emoluments during the current year (2011 - £Nil)

## 5 Other interest receivable and similar income

	2012 £	2011 £
Bank deposits	6,964	2,666
	<u>          </u>	<u>          </u>

# Letchworth Garden City Farms Limited

Notes forming part of the financial statements  
for the year ended 30 September 2012 (*continued*)

## 6 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
<i>Cost or valuation</i>			
At 1 October 2011	31,599	167,920	199,519
Additions	-	12,145	12,145
Disposals	(31,599)	(180,065)	(211,664)
	<hr/>	<hr/>	<hr/>
At 30 September 2012	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 October 2011	3,876	125,153	129,029
Provided for the year	3,163	14,744	17,907
Disposals	(7,039)	(139,897)	(146,936)
	<hr/>	<hr/>	<hr/>
At 30 September 2012	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 30 September 2012	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 September 2011	27,723	42,767	70,490
	<hr/>	<hr/>	<hr/>

All assets relative to the standalone farm enterprise were transferred at net book value to the ultimate parent entity Letchworth Garden City Heritage Foundation as at 30 September 2012

## 7 Fixed asset investments

	Other investments £
<i>Cost or valuation</i>	
At 1 October 2011	73
Disposals	(73)
	<hr/>
At 30 September 2012	-
	<hr/>

# Letchworth Garden City Farms Limited

Notes forming part of the financial statements  
for the year ended 30 September 2012 (*continued*)

## 8 Stocks

	2012 £	2011 £
Stocks	-	251,073
Assets held for resale	-	162,179
	<hr/>	<hr/>
	-	413,252
	<hr/>	<hr/>

## 9 Debtors

	2012 £	2011 £
Trade debtors	1,939	8,470
Amounts owed by group undertakings	-	8
Other debtors	-	598,144
Prepayments and accrued income	53	34,966
	<hr/>	<hr/>
	1,992	641,588
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year

## 10 Creditors: amounts falling due within one year

	2012 £	2011 £
Bank overdrafts	-	31,681
Trade creditors	16,152	29,066
Amounts owed to group undertakings	198,604	313,102
Other creditors	7,430	312,142
	<hr/>	<hr/>
	222,186	685,991
	<hr/>	<hr/>

## 11 Share capital

	2012 £	2011 £
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

# Letchworth Garden City Farms Limited

Notes forming part of the financial statements  
for the year ended 30 September 2012 (*continued*)

## 12 Reserves

	Profit and loss account £
At 1 October 2011	923,700
Profit for the year	83,998
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At 30 September 2012	1,007,698
	<hr/>

## 13 Derivatives

The company purchases forward foreign currency to hedge currency exposure on firm future commitments. The fair values of derivatives held at the balance sheet date, determined by reference to their market values, are as follows

	2012 £	2011 £
Forward foreign currency contracts	-	(2,000)
	<hr/>	<hr/>

## 14 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary of Letchworth Garden City Heritage Foundation which is the ultimate parent entity with charitable status, registered number 28211R

The largest and smallest group in which the results of the company are consolidated is that headed by Letchworth Garden City Heritage Foundation an industrial and provident society with charitable status. The consolidated accounts of this entity are available to the public and may be obtained from Foundation House, Icknield Way, Letchworth Garden City, Hertfordshire, SG6 1GD. No other group accounts include the results of the company.