

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021
FOR
FREELAND HORTICULTURE LTD

D.R.E. & Co. (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

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FOR THE YEAR ENDED 30 SEPTEMBER 2021

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FREELAND HORTICULTURE LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021

DIRECTORS:

G Longmuir
P H Thornton

SECRETARY:

Mrs P J Lambourne

REGISTERED OFFICE:

Rosedale Nursery
College Road
Hextable
Kent
BR8 7LT

REGISTERED NUMBER:

04015968 (England and Wales)

AUDITORS:

D.R.E. & Co. (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their strategic report for the year ended 30 September 2021.

REVIEW OF BUSINESS

Freeland has seen 20-2021 stabilise after the uncertainty of the previous Covid year. The soil business and the recycling business have seen a strong level of sales with consistent tonnages of green waste entering the compost sites. Our direct sales approach is the key to gaining and sustaining the sale of topsoil as Freeland does not use distributors as the route to market. As we are a national business, most sites exceeded whilst others returned to normal levels of sales after the Covid year.

We have a number of additional soil sites in the pipeline and these will open 2022 which will increase the level of total sales in new areas of the country we don't currently participate.

Year-end September 2021 has seen the company increase both its turnover and profit when compared to the previous year.

Much attention is now focussed on the margin of the business and having the systems in place to better control stock and in turn the margin - our policy of replacing the older plant and equipment has also introduced greater reliability in the production so fewer days are lost through breakdowns

The topsoil business has had a good year with increased sales from the sites - we believe some of the projects we were on were postponed from the previous year as a result of the lock down. Brexit has not had any real direct effect on the business that we can see and our market place to include ground work contractors and landscapers continued as normal.

Freeland has had staff employed for many years and we continue to be selective in choosing additional staff who fit in with the existing operation and its expansion plans.

Topsoil supply has now become highly technical business and most soils sold to projects are re-tested by third party consultants and the data obtained has to match the data submitted by the supplier and the parameters analysed must be within the upper threshold limits set for the landscape scheme. With Freeland's in house soil science technical expertise, it puts the company in a strong position.

ON BEHALF OF THE BOARD:

G Longmuir - Director

11 April 2022

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their report with the financial statements of the company for the year ended 30 September 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of production and supply of topsoil.

DIVIDENDS

Interim dividends were paid during the year ended 30 September 2021 on the following dates:

30/10/2020 £100,000
31/01/2021 £80,000
23/04/2021 £80,000
30/07/2021 £70,000

The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2021 will be £330,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2020 to the date of this report.

G Longmuir
P H Thornton

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

AUDITORS

The auditors, D.R.E. & Co. (Audit) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

G Longmuir - Director

11 April 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FREELAND HORTICULTURE LTD

Opinion

We have audited the financial statements of Freeland Horticulture Ltd (the 'company') for the year ended 30 September 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FREELAND HORTICULTURE LTD**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FREELAND HORTICULTURE LTD

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the client's operating sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- reviewing the client's system notes and internal controls.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FREELAND HORTICULTURE LTD**

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

Aled Davies FCCA (Senior Statutory Auditor)
for and on behalf of D.R.E. & Co. (Audit) Limited
7 Lower Brook Street
Oswestry
Shropshire
SY11 2HG

11 April 2022

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	30.9.21 £	30.9.20 £
TURNOVER		13,218,505	11,228,118
Cost of sales		<u>(10,393,690)</u>	<u>(8,939,993)</u>
GROSS PROFIT		2,824,815	2,288,125
Administrative expenses		<u>(2,077,690)</u>	<u>(2,037,086)</u>
		747,125	251,039
Other operating income		<u>11,109</u>	<u>197,131</u>
OPERATING PROFIT	5	758,234	448,170
Interest receivable and similar income		<u>60</u>	<u>876</u>
		758,294	449,046
Interest payable and similar expenses	6	<u>(26,601)</u>	<u>(25,872)</u>
PROFIT BEFORE TAXATION		731,693	423,174
Tax on profit	7	<u>(156,973)</u>	<u>(65,113)</u>
PROFIT FOR THE FINANCIAL YEAR		574,720	358,061
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		574,720	358,061

The notes form part of these financial statements

FREELAND HORTICULTURE LTD (REGISTERED NUMBER: 04015968)**BALANCE SHEET**
30 SEPTEMBER 2021

	Notes	30.9.21 £	£	30.9.20 £	£
FIXED ASSETS					
Tangible assets	9		1,460,709		1,183,651
CURRENT ASSETS					
Stocks	10	472,242		460,031	
Debtors	11	2,863,535		2,650,829	
Cash at bank	12	<u>1,650,815</u>		<u>1,146,926</u>	
		4,986,592		4,257,786	
CREDITORS					
Amounts falling due within one year	13	<u>3,353,118</u>		<u>2,856,389</u>	
NET CURRENT ASSETS			<u>1,633,474</u>		<u>1,401,397</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,094,183		2,585,048
CREDITORS					
Amounts falling due after more than one year	14		(600,983)		(463,219)
PROVISIONS FOR LIABILITIES	17		<u>(226,117)</u>		<u>(99,466)</u>
NET ASSETS			<u>2,267,083</u>		<u>2,022,363</u>
CAPITAL AND RESERVES					
Called up share capital	18		100		100
Retained earnings			<u>2,266,983</u>		<u>2,022,263</u>
SHAREHOLDERS' FUNDS			<u>2,267,083</u>		<u>2,022,363</u>

The financial statements were approved by the Board of Directors and authorised for issue on 11 April 2022 and were signed on its behalf by:

G Longmuir - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 October 2019	100	1,954,202	1,954,302
Changes in equity			
Dividends	-	(290,000)	(290,000)
Total comprehensive income	-	358,061	358,061
Balance at 30 September 2020	100	2,022,263	2,022,363
Changes in equity			
Dividends	-	(330,000)	(330,000)
Total comprehensive income	-	574,720	574,720
Balance at 30 September 2021	100	2,266,983	2,267,083

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	30.9.21 £	30.9.20 £
Cash flows from operating activities			
Cash generated from operations	1	1,483,376	931,753
Interest element of hire purchase payments paid		(26,601)	(25,872)
Tax paid		(95,683)	49,311
Net cash from operating activities		<u>1,361,092</u>	<u>955,192</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(801,710)	(206,659)
Sale of tangible fixed assets		6,500	21,000
Interest received		60	876
Net cash from investing activities		<u>(795,150)</u>	<u>(184,783)</u>
Cash flows from financing activities			
Movement in hire purchase finance		267,947	(265,185)
Equity dividends paid		(330,000)	(290,000)
Net cash from financing activities		<u>(62,053)</u>	<u>(555,185)</u>
Increase in cash and cash equivalents		<u>503,889</u>	<u>215,224</u>
Cash and cash equivalents at beginning of year	2	1,146,926	931,702
Cash and cash equivalents at end of year	2	<u>1,650,815</u>	<u>1,146,926</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	30.9.21 £	30.9.20 £
Profit before taxation	731,693	423,174
Depreciation charges	518,965	437,499
Profit on disposal of fixed assets	(813)	(6,251)
Finance costs	26,601	25,872
Finance income	(60)	(876)
	<u>1,276,386</u>	<u>879,418</u>
Increase in stocks	(12,211)	(19,819)
Increase in trade and other debtors	(212,706)	(346,567)
Increase in trade and other creditors	<u>431,907</u>	<u>418,721</u>
Cash generated from operations	<u>1,483,376</u>	<u>931,753</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2021

	30.9.21 £	1.10.20 £
Cash and cash equivalents	<u>1,650,815</u>	<u>1,146,926</u>

Year ended 30 September 2020

	30.9.20 £	1.10.19 £
Cash and cash equivalents	<u>1,146,926</u>	<u>931,702</u>

3. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.10.20 £	Cash flow £	At 30.9.21 £
Net cash			
Cash at bank	<u>1,146,926</u>	<u>503,889</u>	<u>1,650,815</u>
	<u>1,146,926</u>	<u>503,889</u>	<u>1,650,815</u>
Debt			
Finance leases	<u>(706,874)</u>	<u>(267,947)</u>	<u>(974,821)</u>
	<u>(706,874)</u>	<u>(267,947)</u>	<u>(974,821)</u>
Total	<u>440,052</u>	<u>235,942</u>	<u>675,994</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. STATUTORY INFORMATION

Freeland Horticulture Ltd 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. STATEMENT OF COMPLIANCE

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" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

These financial statements are for the individual entity only.

The financial statements are presented in Sterling (£) rounded to the nearest £1.

Going Concern

The financial statements have been prepared on a going concern basis as the directors are of the opinion that the Company will be able to pay its liabilities as and when they fall due.

The directors have reached this conclusion after assessing the Company's future cash and funding requirements along with budgets and medium term plans.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Plant and machinery - 12.5% - 50%

Motor vehicles - 25%

Computer and office equipment - 25% - 33%

Leasehold improvements - length of lease

No depreciation is provided for on the Freehold land.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Raw materials, consumables and goods for resale - purchase cost on a first in, first out basis

Work in progress and finished goods - cost of direct materials and labour plus attributable overheads based on a normal level of activity.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**3. ACCOUNTING POLICIES - continued****Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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.

Operating lease commitments

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Financial instruments

Basic financial instruments are recognised at amortised cost.

4. EMPLOYEES AND DIRECTORS

	30.9.21	30.9.20
	£	£
Wages and salaries	573,406	590,432
Social security costs	69,104	70,174
Other pension costs	31,020	33,756
	<u>673,530</u>	<u>694,362</u>

The average number of employees during the year was as follows:

	30.9.21	30.9.20
Production	32	33
Administration	<u>10</u>	<u>12</u>
	<u>42</u>	<u>45</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**4. EMPLOYEES AND DIRECTORS - continued**

	30.9.21	30.9.20
	£	£
Directors' remuneration	172,689	156,478
Directors' pension contributions to money purchase schemes	<u>7,119</u>	<u>7,119</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	30.9.21	30.9.20
	£	£
Depreciation - owned assets	518,965	437,499
Profit on disposal of fixed assets	(813)	(6,251)
Auditors' remuneration	<u>15,200</u>	<u>17,750</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.9.21	30.9.20
	£	£
Hire purchase	<u>26,601</u>	<u>25,872</u>

7. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	30.9.21	30.9.20
	£	£
Current tax:		
UK corporation tax	29,306	94,667
(Over) under provision	<u>1,016</u>	<u>-</u>
Total current tax	30,322	94,667
Deferred tax	<u>126,651</u>	<u>(29,554)</u>
Tax on profit	<u>156,973</u>	<u>65,113</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	30.9.21 £	30.9.20 £
Profit before tax	<u>731,693</u>	<u>423,174</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	<u>139,022</u>	80,403
Effects of:		
Expenses not deductible for tax purposes	870	643
Capital allowances in excess of depreciation	(78,269)	-
Depreciation in excess of capital allowances	-	34,033
Pension timing difference	(83)	115
Research and development claim	(31,979)	(20,189)
Group relief	(255)	(338)
Deferred tax charge	126,651	(29,554)
Under provision from previous year	<u>1,016</u>	-
Total tax charge	<u>156,973</u>	<u>65,113</u>

8. DIVIDENDS

	30.9.21 £	30.9.20 £
Ordinary shares of £0.50 each		
Interim	<u>330,000</u>	<u>290,000</u>

9. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to leasehold property £	Plant and machinery £
COST			
At 1 October 2020	153,763	269,586	2,985,430
Additions	-	-	712,006
Disposals	-	-	-
At 30 September 2021	<u>153,763</u>	<u>269,586</u>	<u>3,697,436</u>
DEPRECIATION			
At 1 October 2020	-	216,344	2,162,481
Charge for year	-	26,805	427,416
Eliminated on disposal	-	-	-
At 30 September 2021	<u>-</u>	<u>243,149</u>	<u>2,589,897</u>
NET BOOK VALUE			
At 30 September 2021	<u>153,763</u>	<u>26,437</u>	<u>1,107,539</u>
At 30 September 2020	<u>153,763</u>	<u>53,242</u>	<u>822,949</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

9. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer and office equipment £	Totals £
COST			
At 1 October 2020	323,473	46,861	3,779,113
Additions	88,283	1,421	801,710
Disposals	(13,000)	-	(13,000)
At 30 September 2021	<u>398,756</u>	<u>48,282</u>	<u>4,567,823</u>
DEPRECIATION			
At 1 October 2020	170,538	46,099	2,595,462
Charge for year	63,732	1,012	518,965
Eliminated on disposal	(7,313)	-	(7,313)
At 30 September 2021	<u>226,957</u>	<u>47,111</u>	<u>3,107,114</u>
NET BOOK VALUE			
At 30 September 2021	<u>171,799</u>	<u>1,171</u>	<u>1,460,709</u>
At 30 September 2020	<u>152,935</u>	<u>762</u>	<u>1,183,651</u>

Included within the above are assets held under hire purchase agreements.

Assets held on such agreements include plant and machinery with a carrying value of £982,521 (2020: £654,132) and depreciation charges for the year of £248,111 (2020: £147,502).

Motor vehicles held on hire purchase agreements have a carrying value of £63,082 (2020: £57,820) and depreciation charges for the year of £21,287 (2020: £14,053).

10. STOCKS

	30.9.21 £	30.9.20 £
Stocks	<u>472,242</u>	<u>460,031</u>

Included within the above are raw materials totalling £232,271 (2020: £207,160). The balance relates to finished products.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.21 £	30.9.20 £
Trade debtors	2,706,827	2,517,499
Other debtors	4,250	100
Amounts due from related parties	3,593	-
Prepayments and accrued income	<u>148,865</u>	<u>133,230</u>
	<u>2,863,535</u>	<u>2,650,829</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021****12. CASH AT BANK**

	30.9.21	30.9.20
	£	£
Bank account no. 1	<u>1,650,815</u>	<u>1,146,926</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.21	30.9.20
	£	£
Hire purchase contracts (see note 15)	373,838	243,655
Trade creditors	2,145,470	1,708,248
Tax	29,245	94,606
Social security and other taxes	46,699	39,130
VAT	245,238	250,873
Amounts due to related parties	20,066	5,489
Accrued expenses	<u>492,562</u>	<u>514,388</u>
	<u>3,353,118</u>	<u>2,856,389</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.9.21	30.9.20
	£	£
Hire purchase contracts (see note 15)	<u>600,983</u>	<u>463,219</u>

15. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	30.9.21	30.9.20
	£	£
Net obligations repayable:		
Within one year	373,838	243,655
Between one and five years	<u>600,983</u>	<u>463,219</u>
	<u>974,821</u>	<u>706,874</u>

16. SECURED DEBTS

The company's bankers hold the following security: a debenture including a fixed charge over all freehold and leasehold property including fixtures and fittings, fixed plant and machinery and book and other debts; along with a floating charge over all other assets.

The bank also holds a fixed charge over the deposit accounts of the company in respect of any monies, deposited with the company's bankers to cover performance bonds, amounts deposited at the year end totalled £350,000.

The hire purchase liabilities are secured on the assets to which they relate.

17. PROVISIONS FOR LIABILITIES

	30.9.21	30.9.20
	£	£
Deferred tax	<u>226,117</u>	<u>99,466</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

17. PROVISIONS FOR LIABILITIES - continued

	Deferred tax
	£
Balance at 1 October 2020	99,466
Provided during year	95,241
Rate movement	31,410
Balance at 30 September 2021	<u>226,117</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal	30.9.21	30.9.20
		value:	£	£
200	Ordinary	£0.50	<u>100</u>	<u>100</u>

The shares have full voting rights, are eligible for dividends and carry the right to participate in a distribution (including on winding up).

19. ULTIMATE CONTROLLING PARTY

The parent company is Freeland (UK) Limited, registered in England and Wales. The registered office is at Rosedale Nursery, College Road, Hextable, Kent, BR8 7LT.

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.