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**LLGGM LTD**

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**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2019**

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**LLGGM LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	L Grandi N G Poole
<b>Company secretary</b>	J Grant
<b>Registered number</b>	09688687
<b>Registered office</b>	Old School House Fincham Road Barton Bendish King's Lynn Norfolk PE33 9DL
<b>Accountants</b>	Larking Gowen LLP Chartered Accountants King Street House 15 Upper King Street Norwich NR3 1RB

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**LLGGM LTD**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 JULY 2019**

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The directors present their report and the financial statements for the year ended 31 July 2019.

**Directors' responsibilities statement**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

**Directors**

The directors who served during the year were:

L Grandi  
N G Poole

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

**N G Poole**  
Director

Date: 20 April 2020

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 JULY 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Turnover		<b>405,161</b>	117,815
Cost of sales		<b>(389,484)</b>	(88,110)
<b>Gross profit</b>		<b>15,677</b>	29,705
Administrative expenses		<b>(37,456)</b>	(32,520)
Other operating income		<b>102,092</b>	-
Fair value movements	4	<b>117,709</b>	(106,619)
<b>Operating profit/(loss)</b>		<b>198,022</b>	(109,434)
Income from fixed asset investments		<b>3,935</b>	121,863
Interest receivable and similar income		<b>226</b>	60
Interest payable and expenses		<b>(35,414)</b>	(19,488)
Foreign exchange gains		<b>48,891</b>	9,516
<b>Profit before tax</b>		<b>215,660</b>	2,517
Tax on profit		<b>(16,014)</b>	(51)
<b>Profit after tax</b>		<b>199,646</b>	2,466
Retained earnings at the beginning of the year		<b>5,621</b>	3,155
		<b>5,621</b>	3,155
Profit for the year		<b>199,646</b>	2,466
<b>Retained earnings at the end of the year</b>		<b>205,267</b>	5,621

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of income and retained earnings.

The notes on pages 5 to 14 form part of these financial statements.

**LLGGM LTD**  
**REGISTERED NUMBER: 09688687**

**BALANCE SHEET**  
**AS AT 31 JULY 2019**

	<b>Note</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
<b>Fixed assets</b>			
Investments	4	1,145,868	963,685
Investment property	5	250,000	250,000
		<u>1,395,868</u>	<u>1,213,685</u>
<b>Current assets</b>			
Stocks		356,699	312,718
Debtors: amounts falling due within one year	6	85,138	157,017
Cash at bank and in hand	7	177,823	58,252
		<u>619,660</u>	<u>527,987</u>
Creditors: amounts falling due within one year	8	(745,504)	(835,913)
<b>Net current liabilities</b>		<u>(125,844)</u>	<u>(307,926)</u>
<b>Total assets less current liabilities</b>		<u>1,270,024</u>	<u>905,759</u>
Creditors: amounts falling due after more than one year	9	(1,050,129)	(900,129)
<b>Provisions for liabilities</b>			
Deferred tax		(14,619)	-
		<u>(14,619)</u>	<u>-</u>
<b>Net assets</b>		<u>205,276</u>	<u>5,630</u>
<b>Capital and reserves</b>			
Called up share capital		9	9
Profit and loss account		205,267	5,621
		<u>205,276</u>	<u>5,630</u>

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**LLGGM LTD**  
**REGISTERED NUMBER: 09688687**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 JULY 2019**

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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 were approved and authorised for issue by the board and were signed on its behalf on 20 April 2020.

**N G Poole**  
Director

The notes on pages 5 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019**

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**1. General information**

LLGGM Ltd is a private company limited by shares and incorporated in England and Wales, registration number 09688687. The registered office is Old School House, Fincham Road, Barton Bendish, King's Lynn, Norfolk, PE33 9DL.

**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. This is the first year in which the financial statements have been prepared under FRS 102. The adoption of FRS 102 has not impacted on equity or profit or loss. There has been no adjustment to comparatives.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

**2.2 Going concern**

The company is principally financed by debt due in more than one year from connected parties. The support is expected to continue

The directors have considered the company's position at the time of signing the financial statements, and in particular the current issues caused by Covid-19 and its potential impact on the company and the wider economy. As such under the current circumstances, it is difficult to produce meaningful forecasts for the remainder of the financial year and medium term. The directors have considered the current financial strength of the company, together with the range of measures the directors can take to mitigate ongoing costs should they need to.

Based on this, the directors have concluded that they have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future, and, based on the economic environment recovering within the timeframe currently being widely anticipated, at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019**

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**2. Accounting policies (continued)**

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Crop sales revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably.

Farm subsidy income is recognised when all the conditions of entitlement are met.

Rental revenue is recognised on a straight-line basis over the length of the lease.

Investment income is recognised when the right to receive payment is established.

**2.4 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

**2.5 Finance costs**

Finance costs are charged to the Statement of income and retained earnings 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.

**2.6 Borrowing costs**

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019**

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**2. Accounting policies (continued)**

**2.7 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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.

**2.8 Investment property**

Investment property is carried at fair value determined annually by directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the profit or loss for the period.

**2.9 Valuation of investments**

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019**

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**2. Accounting policies (continued)**

**2.10 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.

**2.11 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.

**2.12 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.

**2.13 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.

**2.14 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 Statement of income and retained earnings 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.

**2.15 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of income and retained earnings if the

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

2. Accounting policies (continued)

2.15 Financial instruments (continued)

shares are publicly traded or their fair value can otherwise be measured reliably;  
· at cost less impairment for all other investments.

3. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

4. Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or valuation</b>			
At 1 August 2018	768,685	195,000	963,685
Foreign exchange movement	64,473	-	64,473
Revaluations	117,710	-	117,710
At 31 July 2019	<u>950,868</u>	<u>195,000</u>	<u>1,145,868</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

5. Investment property

Freehold  
investment  
property  
£

Valuation

At 1 August 2018

250,000

At 31 July 2019

250,000

The 2019 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2019 £	2018 £
Historic cost	250,000	250,000
	<u>250,000</u>	<u>250,000</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

6. Debtors

	2019 £	2018 £
Trade debtors	1,250	86,061
Other debtors	16,767	50,143
Called up share capital not paid	9	9
Prepayments and accrued income	67,112	20,804
	<u>85,138</u>	<u>157,017</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	177,823	58,252
	<u>177,823</u>	<u>58,252</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	207,794	264,641
Trade creditors	8,739	94,543
Corporation tax	1,395	-
Other creditors	412,363	412,219
Accruals and deferred income	115,213	64,510
	<u>745,504</u>	<u>835,913</u>

The following liabilities were secured:

	2019 £	2018 £
Bank loans	207,794	264,641
	<u>207,794</u>	<u>264,641</u>

Details of security provided:

Bank loans are secured by a fixed and floating charge over listed investments.

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

	2019 £	2018 £
Other loans	1,050,129	900,129
	<u>1,050,129</u>	<u>900,129</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

10. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	207,794	264,641
	<u>207,794</u>	<u>264,641</u>
<b>Amounts falling due 1-2 years</b>		
Other loans	1,050,129	900,129
	<u>1,050,129</u>	<u>900,129</u>
	<u>1,257,923</u>	<u>1,164,770</u>

11. Financial instruments

	2019 £	2018 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>950,868</u>	<u>768,685</u>

Financial assets measured at fair value through profit or loss comprise listed investments.

12. Deferred taxation

	2019 £
Charged to profit or loss	(14,619)
<b>At end of year</b>	<u>(14,619)</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2019

**12. Deferred taxation (continued)**

The deferred taxation balance is made up as follows:

	2019 £	2018 £
Revaluation of investments	(14,619)	-
	<u>(14,619)</u>	<u>-</u>

**13. Commitments under operating leases**

At 31 July 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	23,714	94,857
Later than 1 year and not later than 5 years	-	15,810
	<u>23,714</u>	<u>110,667</u>

**14. Post balance sheet events**

Since the year end Covid-19 has had a significant impact on the global economy and listed investment values. As at 31 March 2020 the market value of the company's listed investments was £900,998 compared to a value of £950,868 at 31 July 2019. This is considered to be a temporary reduction and it is anticipated that global markets will recover.

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.