

O J MUNDAY FARMS LIMITED
UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

O J MUNDAY FARMS LIMITED

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O J MUNDAY FARMS LIMITED
REGISTERED NUMBER:10727456

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	101,096	107,005
		<u>101,096</u>	<u>107,005</u>
Current assets			
Stocks		167,580	-
Debtors: amounts falling due within one year	5	56,634	96,124
Cash at bank and in hand		-	37,171
		<u>224,214</u>	<u>133,295</u>
Creditors: amounts falling due within one year	6	(101,919)	(35,591)
Net current assets		<u>122,295</u>	<u>97,704</u>
Total assets less current liabilities		<u>223,391</u>	<u>204,709</u>
Creditors: amounts falling due after more than one year	7	(76,199)	(54,441)
Provisions for liabilities			
Deferred tax	10	(18,875)	(20,331)
		<u>(18,875)</u>	<u>(20,331)</u>
Net assets		<u><u>128,317</u></u>	<u><u>129,937</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		128,217	129,837
		<u><u>128,317</u></u>	<u><u>129,937</u></u>

O J MUNDAY FARMS LIMITED
REGISTERED NUMBER:10727456

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2021

The director considers 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 the Companies Act 2006.

The director acknowledges his 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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
O J Munday
Director

Date: 10 February 2022

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

1. General information

O J Munday Farms Limited is a private company limited by shares and incorporated in England and Wales. The registered number is 10727456 and the registered address is 43 Field Barn House, Litcham Road, Tittleshall, Kings Lynn, Norfolk PE32 2PD

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.

The accounts are presented in Sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these accounts are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.4 Finance costs

Finance costs are charged to profit or loss 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

2. Accounting policies (continued)

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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 Statement of Financial Position 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 reporting date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Plant & machinery	-	20%	Reducing balance
Fixtures & fittings	-	20%	Reducing balance

2.9 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 reporting 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

2. Accounting policies (continued)**2.14 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 ordinary shares.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2020 - 1).

4. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 June 2020	159,991	9,634	169,625
Additions	17,172	2,192	19,364
	<u>177,163</u>	<u>11,826</u>	<u>188,989</u>
At 31 May 2021			
	<u>177,163</u>	<u>11,826</u>	<u>188,989</u>
Depreciation			
At 1 June 2020	60,056	2,564	62,620
Charge for the year on owned assets	20,941	1,852	22,793
Charge for the year on financed assets	2,480	-	2,480
	<u>83,477</u>	<u>4,416</u>	<u>87,893</u>
At 31 May 2021			
	<u>83,477</u>	<u>4,416</u>	<u>87,893</u>
Net book value			
At 31 May 2021	<u>93,686</u>	<u>7,410</u>	<u>101,096</u>
At 31 May 2020	<u>99,935</u>	<u>7,070</u>	<u>107,005</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

O J MUNDAY FARMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

4. Tangible fixed assets (continued)

	2021 £	2020 £
Plant and machinery	9,920	12,400
	<u>9,920</u>	<u>12,400</u>

5. Debtors

	2021 £	2020 £
Trade debtors	50,505	93,334
Other debtors	4,547	2,790
Prepayments	1,582	-
	<u>56,634</u>	<u>96,124</u>

6. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	37,272	-
Bank loans	18,645	1,358
Trade creditors	7,544	-
Corporation tax	4,697	8,063
Other taxation and social security	995	-
Obligations under finance lease and hire purchase contracts	2,823	2,581
Other creditors	28,543	22,239
Accruals and deferred income	1,400	1,350
	<u>101,919</u>	<u>35,591</u>

O J MUNDAY FARMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

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

	2021 £	2020 £
Bank loans	74,580	50,000
Net obligations under finance leases and hire purchase contracts	1,619	4,441
	<u>76,199</u>	<u>54,441</u>

The following liabilities were secured:

Details of security provided:

Bank loans of £93,225 (2020: £51,358) are secured by way of a fixed and floating charge on assets owned by the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

8. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	18,645	1,358
	<u>18,645</u>	<u>1,358</u>
Amounts falling due 1-2 years		
Bank loans	18,645	10,000
	<u>18,645</u>	<u>10,000</u>
Amounts falling due 2-5 years		
Bank loans	55,935	40,000
	<u>55,935</u>	<u>40,000</u>
	<u>93,225</u>	<u>51,358</u>

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	2,823	2,581
Between 1-2 years	1,619	2,823
Over 2-5 years	-	1,619
	<u>4,442</u>	<u>7,023</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Deferred taxation

	2021 £
At beginning of year	(20,331)
Charged to profit or loss	1,456
At end of year	(18,875)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(18,875)	(20,331)
	<u>(18,875)</u>	<u>(20,331)</u>

11. Commitments under operating leases

At 31 May 2021 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	9,492	-
Later than 1 year and not later than 5 years	35,593	-
	<u>45,085</u>	<u>-</u>

12. Transactions with directors

O J Munday's director's loan account had a credit balance of £28,543 (2020: £22,239) at the year end.

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.