

Company Registration No. 06470409 (England and Wales)

Abbotsley Farms Limited

**Unaudited financial statements
for the year ended 30 September 2019**

Pages for filing with the Registrar

Abbotsley Farms Limited

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Abbotsley Farms Limited

**Statement of financial position
As at 30 September 2019**

			2019	2018
	Notes	£	£	£
Fixed assets				
Intangible assets	3	251		32,815
Tangible assets	4	14,122,018		14,127,840
Investment properties	5	1,341,410		1,330,110
Investments	6	46,361		46,361
			<u>15,510,040</u>	<u>15,537,126</u>
Current assets				
Stocks		554,114	655,846	
Debtors	8	489,881	301,011	
Cash at bank and in hand		4,296	81,951	
		<u>1,048,291</u>	<u>1,038,808</u>	
Creditors: amounts falling due within one year	9	<u>(4,779,236)</u>	<u>(4,856,096)</u>	
Net current liabilities		(3,730,945)	(3,817,288)	
Total assets less current liabilities		<u>11,779,095</u>	<u>11,719,838</u>	
Creditors: amounts falling due after more than one year	10	(3,159,569)	(3,153,211)	
Provisions for liabilities	12	(150,077)	(140,654)	
Net assets		<u>8,469,449</u>	<u>8,425,973</u>	
Capital and reserves				
Called up share capital	13	16	16	
Share premium account		7,444,586	7,444,586	
Profit and loss reserves		1,024,847	981,371	
Total equity		<u>8,469,449</u>	<u>8,425,973</u>	

Abbotsley Farms Limited

Statement of financial position (continued)

As at 30 September 2019

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 September 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2020 and are signed on its behalf by:

J M Topham
Director

Company Registration No. 06470409

Abbotsley Farms Limited

Notes to the financial statements

For the year ended 30 September 2019

1 Accounting policies

Company information

Abbotsley Farms Limited is a private company limited by shares incorporated in England and Wales. The registered office is Suite C, Unex House, Bourges Boulevard, Peterborough, Cambridgeshire, PE1 1NG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover represents sales to customers in respect of crops and is stated net of value added tax.

1.3 Intangible fixed assets - goodwill

Goodwill arising on the acquisition of trade and assets represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1 Accounting policies (continued)

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Basic Payment Scheme Entitlements	Over 5 years straight line
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1.5 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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% on cost
Plant and machinery	10% - 20% on written down value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired term is less than 20 years.

No depreciation is provided on freehold investment properties. The requirement of the Companies Act 2006 is to depreciate all fixed assets which have a useful economic life but that requirement conflicts with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, for the financial statements to give a true and fair view.

1 Accounting policies (continued)

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1 Accounting policies (continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises the cost of seeds, fertilisers and sprays, plus a proportion of labour, machinery costs, machinery depreciation and other relevant indirect costs that have been incurred in bringing the stocks to their present location and condition.

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.

1.10 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and 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.

1.11 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 debtors, 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. Financial assets classified as receivable within one year are not amortised.

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.

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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. Financial liabilities classified as payable within one year are not amortised.

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. Amounts 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.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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Notes to the financial statements (continued)

For the year ended 30 September 2019

1 Accounting policies (continued)

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 Revenue Recognition - Basic Payment Scheme

In any Scheme Year, the right to the Basic Payment Scheme entitlement is recognised if there is a reasonable certainty over the existence of the right to the Basic Payment Scheme for that Scheme Year and once all conditions attached to the Basic Payment Scheme have been met.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 6 (2018 - 6).

3 Intangible fixed assets

	Goodwill Basic Payment Scheme Entitlements		Total
	£	£	£
Cost			
At 1 October 2018 and 30 September 2019	97,768	163,040	260,808
Amortisation and impairment			
At 1 October 2018	97,768	130,225	227,993
Amortisation charged for the year	-	32,564	32,564
At 30 September 2019	97,768	162,789	260,557
Carrying amount			
At 30 September 2019	-	251	251
At 30 September 2018	-	32,815	32,815

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Notes to the financial statements (continued)
For the year ended 30 September 2019

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 October 2018	14,242,308	326,777	14,569,085
Additions	5,105	94,274	99,379
Disposals	-	(352)	(352)
At 30 September 2019	14,247,413	420,699	14,668,112
Depreciation and impairment			
At 1 October 2018	346,210	95,035	441,245
Depreciation charged in the year	71,674	33,346	105,020
Eliminated in respect of disposals	-	(171)	(171)
At 30 September 2019	417,884	128,210	546,094
Carrying amount			
At 30 September 2019	13,829,529	292,489	14,122,018
At 30 September 2018	13,896,098	231,742	14,127,840

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2019 £	2018 £
Plant and machinery	35,481	44,351
	35,481	44,351
Depreciation charge for the year in respect of leased assets	8,870	1,912

Abbotsley Farms Limited

Notes to the financial statements (continued)
For the year ended 30 September 2019

5 Investment property

	2019
	£
Fair value	
At 1 October 2018	1,330,110
Revaluations	11,300
	<hr/>
At 30 September 2019	1,341,410
	<hr/> <hr/>

The fair value of investment properties has been arrived at on an open market value basis by reference to market evidence of transaction prices for similar properties. No depreciation is provided in respect of these properties.

6 Fixed asset investments

	2019	2018
	£	£
Investments	46,361	46,351
	<hr/> <hr/>	<hr/> <hr/>

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 October 2018 and 30 September 2019	46,351
	<hr/>
Carrying amount	
At 30 September 2019	46,351
	<hr/> <hr/>
At 30 September 2018	46,351
	<hr/> <hr/>

Abbotsley Farms Limited

Notes to the financial statements (continued)

For the year ended 30 September 2019

7 Subsidiaries

Details of the company's subsidiaries at 30 September 2019 where the company holds more than 20% of the share capital are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Caldecote Manor Farms Limited	England and Wales	Dormant	Ordinary shares	100.00	
P D Topham Limited	England and Wales	Dormant	Ordinary shares	100.00	
Top Storage Limited	England and Wales	Operation storage facilities	Ordinary shares	100.00	

8 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	252,850	57,121
Corporation tax recoverable	-	34,331
Amounts owed by group undertakings	2,678	-
Other debtors	234,353	209,559
	<u>489,881</u>	<u>301,011</u>

9 Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	445,991	313,643
Trade creditors	101,172	227,815
Amounts owed to group undertakings	3,781,775	3,781,775
Corporation tax	6,897	-
Other taxation and social security	-	404
Other creditors	443,401	532,459
	<u>4,779,236</u>	<u>4,856,096</u>

A fixed and floating charge has been given in respect of the bank loans and overdraft.

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Notes to the financial statements (continued)

For the year ended 30 September 2019

10 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	2,559,569	2,542,249
Other creditors	600,000	610,962
	<u>3,159,569</u>	<u>3,153,211</u>
	<u><u>3,159,569</u></u>	<u><u>3,153,211</u></u>

A fixed and floating charge has been given in respect of the bank loans and other creditors.

Amounts included above which fall due after five years are as follows:

Payable by instalments	90,287	457,157
Payable other than by instalments	400,000	400,000
	<u>490,287</u>	<u>857,157</u>
	<u><u>490,287</u></u>	<u><u>857,157</u></u>

11 Provisions for liabilities

	2019	2018
	£	£
Deferred tax liabilities	150,077	140,654
	<u>150,077</u>	<u>140,654</u>
	<u><u>150,077</u></u>	<u><u>140,654</u></u>

12 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities	Liabilities
	2019	2018
	£	£
Balances:		
Accelerated capital allowances	43,655	36,493
Investment property	106,422	104,161
	<u>150,077</u>	<u>140,654</u>
	<u><u>150,077</u></u>	<u><u>140,654</u></u>

Abbotsley Farms Limited

Notes to the financial statements (continued)

For the year ended 30 September 2019

12 Deferred taxation (continued)

	2019
	£
Movements in the year:	
Liability at 1 October 2018	140,654
Charge to profit or loss	9,423
	<u>150,077</u>
Liability at 30 September 2019	<u>150,077</u>

13 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
1,100 'A' Ordinary shares of 1p each	11	11
458 'B' Ordinary shares of 1p each	5	5
	<u>16</u>	<u>16</u>
	<u>16</u>	<u>16</u>

The 'A' ordinary and 'B' ordinary shares rank equally in all respects except that holders of the 'B' ordinary shares do not have any rights or entitlement to any proceeds, receipts or other income arising from certain freehold property held by the company.

14 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	84,974	83,971
Entities over which the entity has control, joint control or significant influence	100	100
Key management personnel	233,203	264,485
Other related parties	425,000	400,000
	<u>743,177</u>	<u>748,556</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.