

A. H. Clark (Farms) Limited
Unaudited Financial Statements
for the Year Ended 31 March 2020

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for the Year Ended 31 March 2020**

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A. H. Clark (Farms) Limited

**Company Information
for the Year Ended 31 March 2020**

Directors: H M M Clark
Mrs S E Clark

Registered office: Crown Hall Farm
Moulton Eaugate
Spalding
Lincolnshire
PE12 0TD

Registered number: 00692327 (England and Wales)

Accountants: Moore Thompson
Bank House
Broad Street
Spalding
Lincolnshire
PE11 1TB

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
A. H. Clark (Farms) Limited**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of financial position. Readers are cautioned that the Income statement and certain other primary statements and the Directors' report are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A. H. Clark (Farms) Limited for the year ended 31 March 2020 which comprise the Income statement, Statement of financial position, Statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of A. H. Clark (Farms) Limited, as a body, in accordance with the terms of our engagement letter dated 3 July 2019. Our work has been undertaken solely to prepare for your approval the financial statements of A. H. Clark (Farms) Limited and state those matters that we have agreed to state to the Board of Directors of A. H. Clark (Farms) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A. H. Clark (Farms) Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that A. H. Clark (Farms) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of A. H. Clark (Farms) Limited. You consider that A. H. Clark (Farms) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of A. H. Clark (Farms) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Moore Thompson
Bank House
Broad Street
Spalding
Lincolnshire
PE11 1TB

4 August 2020

Statement of Financial Position
31 March 2020

		2020	2019
	Notes	£	£
Fixed assets			
Tangible assets	5	1,631,226	1,583,844
Investments	6	7,596	7,596
Investment property	7	619,469	619,469
		<u>2,258,291</u>	<u>2,210,909</u>
Current assets			
Stocks		259,656	273,216
Debtors	8	206,032	263,050
Cash at bank		87	802
		<u>465,775</u>	<u>537,068</u>
Creditors			
Amounts falling due within one year	9	<u>439,899</u>	<u>502,880</u>
Net current assets		<u>25,876</u>	<u>34,188</u>
Total assets less current liabilities		<u>2,284,167</u>	<u>2,245,097</u>
Creditors			
Amounts falling due after more than one year	10	<u>415,432</u>	<u>476,233</u>
Net assets		<u><u>1,868,735</u></u>	<u><u>1,768,864</u></u>
Capital and reserves			
Called up share capital	11	26,419	26,419
Revaluation reserve	12	1,052,107	1,052,107
Capital redemption reserve		13,581	13,581
Retained earnings		<u>776,628</u>	<u>676,757</u>
Shareholders' funds		<u><u>1,868,735</u></u>	<u><u>1,768,864</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

Statement of Financial Position - continued
31 March 2020

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

In accordance with Section 444 of the Companies Act 2006, the Income statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 4 August 2020 and were signed on its behalf by:

H M M Clark - Director

**Notes to the Financial Statements
for the Year Ended 31 March 2020**

1. Statutory information

A. H. Clark (Farms) Limited 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 compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Farm support income

Monies received and receivable from the Rural Payments Agency in respect of the Basic Payment Scheme and the Environmental Stewardship Scheme are recognised as other operating income in the period to which they relate.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Tangible fixed assets

All fixed assets are initially recorded at cost, except for breeding mares. These are capitalised on a herd basis under the Income and Corporation Taxes Act 1988. The movement in valuation is reflected in the profit and loss account. Freehold land is included within the financial statements at the open market value at the balance sheet date.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2020**

3. Accounting policies - continued

Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 10% on a straight line basis
Leasehold property and drainage	- 10% on a straight line basis
Plant and machinery	- 10 - 15% reducing balance
Motor vehicles	- 25% on reducing balance
Fixtures and office equipment	- 15% on reducing balance

Depreciation is not provided on freehold property where, in the opinion of the directors, the residual value of that property is such that any depreciation charge would be immaterial.

Investment properties

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Biological assets

Biological assets measured under the fair value model are valued on initial recognition and at each reporting date at fair value less costs to sell. Changes in fair value less costs to sell are recognised in profit or loss.

Agricultural produce harvested from these biological assets is measured at the point of harvest at its fair value less costs to sell.

Biological assets measured under the cost model are held at cost less any accumulated depreciation and any accumulated impairment losses.

Agricultural produce harvested from these biological assets is measured at the point of harvest at either: the lower of cost and estimated selling price less costs to complete and sell; or its fair value less costs to sell. Any gain or loss arising on initial recognition of produce at fair value less costs to sell is included in profit or loss for the period.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 statement of financial position date.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2020**

3. Accounting policies - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

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.

Finance leases and hire purchase contracts

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Sales and leasebacks (where the leaseback is treated as a finance lease as defined by FRS 102) are recorded in the balance sheet as assets and as obligations to pay future rentals. Rents payable are apportioned between the finance charge and a reduction in the outstanding obligation for future amounts payable.

The total finance charge, which includes the amortisation of deferred expenses relating to finance leases, is allocated to accounting periods over the lease terms so as to produce a constant periodic charge on the remaining balance of the obligation for each accounting period

Financial instruments

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 entity after deducting all of its financial liabilities.

4. Employees and directors

The average number of employees during the year was 5 (2019 - 4) .

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

5. Tangible fixed assets

	Freehold property £	Leasehold property and drainage £	Plant and machinery £
Cost			
At 1 April 2019	1,327,046	25,689	949,857
Additions	-	-	137,764
Disposals	-	-	(114,500)
At 31 March 2020	<u>1,327,046</u>	<u>25,689</u>	<u>973,121</u>
Depreciation			
At 1 April 2019	79,370	25,689	629,001
Charge for year	5,834	-	38,966
Eliminated on disposal	-	-	(70,254)
At 31 March 2020	<u>85,204</u>	<u>25,689</u>	<u>597,713</u>
Net book value			
At 31 March 2020	<u>1,241,842</u>	<u>-</u>	<u>375,408</u>
At 31 March 2019	<u>1,247,676</u>	<u>-</u>	<u>320,856</u>

	Motor vehicles £	Fixtures and office equipment £	Totals £
Cost			
At 1 April 2019	32,195	7,806	2,342,593
Additions	-	2,005	139,769
Disposals	-	-	(114,500)
At 31 March 2020	<u>32,195</u>	<u>9,811</u>	<u>2,367,862</u>
Depreciation			
At 1 April 2019	19,685	5,004	758,749
Charge for year	2,781	560	48,141
Eliminated on disposal	-	-	(70,254)
At 31 March 2020	<u>22,466</u>	<u>5,564</u>	<u>736,636</u>
Net book value			
At 31 March 2020	<u>9,729</u>	<u>4,247</u>	<u>1,631,226</u>
At 31 March 2019	<u>12,510</u>	<u>2,802</u>	<u>1,583,844</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

6.	Fixed asset investments	Unlisted investments £	
	Cost		
	At 1 April 2019 and 31 March 2020		7,596
	Net book value		
	At 31 March 2020		7,596
	At 31 March 2019		7,596
7.	Investment property	Total £	
	Fair value		
	At 1 April 2019 and 31 March 2020		619,469
	Net book value		
	At 31 March 2020		619,469
	At 31 March 2019		619,469
8.	Debtors: amounts falling due within one year	2020 £	
		2019 £	
	Trade debtors	78,736	102,751
	VAT	16,863	22,756
	Deferred tax asset	91,666	114,533
	Prepayments and accrued income	18,767	23,010
		<u>206,032</u>	<u>263,050</u>
9.	Creditors: amounts falling due within one year	2020 £	
		2019 £	
	Bank loans and overdrafts	258,162	183,905
	Trade creditors	99,067	131,789
	Taxation and social security	25,304	145,129
	Other creditors	57,366	42,057
		<u>439,899</u>	<u>502,880</u>

The bank loans and overdraft included above and below are secured by fixed and floating charges over the company's undertakings and assets.

The finance lease and hire purchase agreements included above and below are secured against the assets to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

10. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans	387,926	454,655
Other creditors	27,506	21,578
	<u>415,432</u>	<u>476,233</u>

The bank loans and overdraft included above and below are secured by fixed and floating charges over the company's undertakings and assets.

The finance lease and hire purchase agreements included above and below are secured against the assets to which they relate.

Included within creditors: amounts falling due after more than one year is an amount of £145,941 (2019: £235,843) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

11. Called up share capital

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
26,419	Ordinary shares	£1	<u>26,419</u>	<u>26,419</u>

12. Reserves

	Revaluation reserve
	£
At 1 April 2019 and 31 March 2020	<u>1,052,107</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.