

**J.D. AND R.J. BAKER FARMS LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

TUESDAY



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COMPANIES HOUSE

**J.D. AND R.J. BAKER FARMS LIMITED**  
**REGISTERED NUMBER:02643804**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	4	7,100	15,354
Tangible assets	5	1,996,059	1,989,322
Investments	6	75	75
		<u>2,003,234</u>	<u>2,004,751</u>
<b>Current assets</b>			
Stocks		221,056	198,918
Debtors: amounts falling due within one year	7	4,263,597	277,063
Cash at bank and in hand		3,335,494	763
		<u>7,820,147</u>	<u>476,744</u>
Creditors: amounts falling due within one year	8	(233,088)	(531,815)
<b>Net current assets/(liabilities)</b>		<u>7,587,059</u>	<u>(55,071)</u>
<b>Total assets less current liabilities</b>		<u>9,590,293</u>	<u>1,949,680</u>
Creditors: amounts falling due after more than one year	9	(85,110)	(98,223)
<b>Provisions for liabilities</b>			
Deferred tax	11	(1,447,974)	(129,597)
		<u>(1,447,974)</u>	<u>(129,597)</u>
<b>Net assets</b>		<u><u>8,057,209</u></u>	<u><u>1,721,860</u></u>
<b>Capital and reserves</b>			
Called up share capital		10,000	10,000
Share premium account	12	868,312	868,312
Other reserves	12	15,354	15,354
Profit and loss account	12	7,163,543	828,194
		<u><u>8,057,209</u></u>	<u><u>1,721,860</u></u>

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**J.D. AND R.J. BAKER FARMS LIMITED**  
**REGISTERED NUMBER:02643804**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2018**

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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.

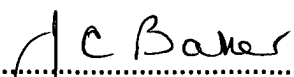
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

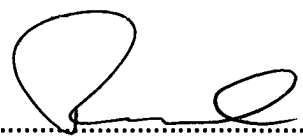
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements 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:

  
.....  
**Mrs J C Baker**  
Director

  
.....  
**R J Baker**  
Director

Date: 11<sup>th</sup> June 2019

The notes on pages 3 to 12 form part of these financial statements.

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## **J.D. AND R.J. BAKER FARMS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **1. General information**

J.D. and R.J. Baker Farms Limited is a private company limited by shares and incorporated in England and Wales, registration number 02643804. The registered office is Whitefield Cottage, Park Road, Drinkstone, Bury St Edmunds, Suffolk, IP30 9TJ.

#### **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 financial statements 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 financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The following principal accounting policies have been applied:

##### **2.2 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

###### **Sale of goods**

Turnover 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 turnover 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.

###### **Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

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## J.D. AND R.J. BAKER FARMS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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## 2. Accounting policies (continued)

### 2.3 Interest income

Interest income is recognised in the Income statement using the effective interest method.

### 2.4 Finance costs

Finance costs are charged to the Income statement 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.

### 2.5 Borrowing costs

All borrowing costs are recognised in the Income statement 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 the Income statement 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 the Income statement, 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.

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## J.D. AND R.J. BAKER FARMS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 2. Accounting policies (continued)

##### 2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

##### 2.9 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.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant & machinery	- 20% straight line and 12.5% straight line
Motor vehicles	- 20% reducing balance
Office equipment	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income statement.

##### 2.10 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 Income statement 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 Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

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## **J.D. AND R.J. BAKER FARMS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **2. Accounting policies (continued)**

##### **2.11 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. Biological assets and living plants are included at cost.

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.

##### **2.12 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.

##### **2.13 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.

##### **2.14 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.

##### **2.15 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 Income statement 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.

##### **2.16 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.

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**J.D. AND R.J. BAKER FARMS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**2. Accounting policies (continued)**

**2.17 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 6 (2017 - 8).

**4. Intangible assets**

	<b>BPS entitlements £</b>
<b>Cost</b>	
At 1 January 2018	38,388
Disposals	(2,880)
At 31 December 2018	<u>35,508</u>
<b>Amortisation</b>	
At 1 January 2018	23,034
Charge for the year	7,102
On disposals	(1,728)
At 31 December 2018	<u>28,408</u>
<b>Net book value</b>	
At 31 December 2018	<u>7,100</u>
At 31 December 2017	<u><u>15,354</u></u>



**J.D. AND R.J. BAKER FARMS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**5. Tangible fixed assets**

	<b>Freehold property £</b>	<b>Plant &amp; machinery £</b>	<b>Motor vehicles £</b>	<b>Fixtures &amp; fittings £</b>	<b>Office equipment £</b>
<b>Cost or valuation</b>					
At 1 January 2018	1,448,302	1,523,708	56,409	349	8,527
Additions	-	288,475	-	-	466
Disposals	(50,616)	(163,931)	-	-	-
At 31 December 2018	<u>1,397,686</u>	<u>1,648,252</u>	<u>56,409</u>	<u>349</u>	<u>8,993</u>
<b>Depreciation</b>					
At 1 January 2018	169,841	847,216	24,380	349	6,187
Charge for the year on owned assets	-	93,938	6,406	-	679
Charge for the year on financed assets	-	79,284	-	-	-
Disposals	-	(112,650)	-	-	-
At 31 December 2018	<u>169,841</u>	<u>907,788</u>	<u>30,786</u>	<u>349</u>	<u>6,866</u>
<b>Net book value</b>					
At 31 December 2018	<u>1,227,845</u>	<u>740,464</u>	<u>25,623</u>	<u>-</u>	<u>2,127</u>
At 31 December 2017	<u>1,278,461</u>	<u>676,492</u>	<u>32,029</u>	<u>-</u>	<u>2,340</u>

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**J.D. AND R.J. BAKER FARMS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Tangible fixed assets (continued)**

	Total £
<b>Cost or valuation</b>	
At 1 January 2018	3,037,295
Additions	288,941
Disposals	(214,547)
At 31 December 2018	<u>3,111,689</u>
<b>Depreciation</b>	
At 1 January 2018	1,047,973
Charge for the year on owned assets	101,023
Charge for the year on financed assets	79,284
Disposals	(112,650)
At 31 December 2018	<u>1,115,630</u>
<b>Net book value</b>	
At 31 December 2018	<u><u>1,996,059</u></u>
At 31 December 2017	<u><u>1,989,322</u></u>

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Freehold	1,227,845	1,278,461
	<u><u>1,227,845</u></u>	<u><u>1,278,461</u></u>

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**J.D. AND R.J. BAKER FARMS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Tangible fixed assets (continued)**

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

	<b>2018 £</b>	<b>2017 £</b>
Plant and machinery	<b>546,392</b>	<b>426,499</b>
	<b><u>546,392</u></b>	<b><u>426,499</u></b>

**6. Fixed asset investments**

	<b>Unlisted investments £</b>
<b>Cost or valuation</b>	
At 1 January 2018	<b>75</b>
At 31 December 2018	<b><u>75</u></b>

**7. Debtors**

	<b>2018 £</b>	<b>2017 £</b>
Trade debtors	<b>4,051,065</b>	<b>21,282</b>
Other debtors	<b>160,405</b>	<b>245,342</b>
Prepayments and accrued income	<b>52,127</b>	<b>10,439</b>
	<b><u>4,263,597</u></b>	<b><u>277,063</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Creditors: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	-	325,291
Trade creditors	<b>54,652</b>	72,844
Corporation tax	<b>12</b>	12
Other taxation and social security	<b>24,694</b>	7,529
Obligations under finance lease and hire purchase contracts	<b>114,966</b>	82,740
Other creditors	<b>7,079</b>	969
Accruals and deferred income	<b>31,685</b>	42,430
	<b>233,088</b>	<b>531,815</b>

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	<b>85,110</b>	98,223
	<b>85,110</b>	<b>98,223</b>

**10. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Within one year	<b>114,966</b>	82,740
Between 1-2 years	<b>70,501</b>	64,040
Between 2-5 years	<b>14,609</b>	34,182
	<b>200,076</b>	<b>180,962</b>

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**J.D. AND R.J. BAKER FARMS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**11. Deferred taxation**

	2018 £
At beginning of year	(129,597)
Charged to profit or loss	(1,318,377)
<b>At end of year</b>	<b><u>(1,447,974)</u></b>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(130,596)	(120,847)
Short term timing differences	(7,489)	(8,750)
Short term timing differences and Capital gains	(1,309,889)	-
	<b><u>(1,447,974)</u></b>	<b><u>(129,597)</u></b>

**12. Reserves**

**Share premium account**

This reserve records the amount above the nominal value received for shares sold, less transactional costs.

**Other reserves**

The other reserves represent the balance of the fair value of the BPS entitlements.

**Profit & loss account**

The profit and loss account includes all current and prior period retained profits and losses.

**13. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £2,595 (2017 - £806).