

**WM.KERR (FARMS) LIMITED**  
**Unaudited Financial Statements**  
**for the Year Ended 30 September 2019**

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for the Year Ended 30 September 2019**

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**WM.KERR (FARMS) LIMITED**

**Company Information  
for the Year Ended 30 September 2019**

**DIRECTORS:**

B W Kerr  
Mrs F E Siddall

**REGISTERED OFFICE:**

Farm Office  
Abbey Farm  
Hoo  
Woodbridge  
Suffolk  
IP13 7QY

**REGISTERED NUMBER:**

00534749 (England and Wales)

**ACCOUNTANTS:**

Duncan & Toplis Limited  
3 Castlegate  
Grantham  
Lincolnshire  
NG31 6SF

Statement of Financial Position  
30 September 2019

	Notes	2019 £	£	2018 £	£
<b>FIXED ASSETS</b>					
Intangible assets	4		5,389		17,397
Property, plant and equipment	5		4,514,478		4,676,619
Investments	6		448,440		448,440
			<u>4,968,307</u>		<u>5,142,456</u>
<b>CURRENT ASSETS</b>					
Inventories		213,507		387,897	
Debtors	7	1,571,331		1,281,758	
Cash at bank and in hand		493		278,670	
		<u>1,785,331</u>		<u>1,948,325</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>1,243,046</u>		<u>1,073,740</u>	
<b>NET CURRENT ASSETS</b>			<u>542,285</u>		<u>874,585</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>5,510,592</u>		<u>6,017,041</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		(3,143,548)		(3,239,246)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(290,913)</u>		<u>(290,913)</u>
<b>NET ASSETS</b>			<u>2,076,131</u>		<u>2,486,882</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	11		96,425		96,425
Revaluation reserve	12		2,445,174		2,445,174
Retained earnings			<u>(465,468)</u>		<u>(54,717)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>2,076,131</u>		<u>2,486,882</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2019 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**  
**30 September 2019**

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 and authorised for issue by the Board of Directors and authorised for issue on 18 May 2020 and were signed on its behalf by:

B W Kerr - Director

**Notes to the Financial Statements  
for the Year Ended 30 September 2019**

**1. STATUTORY INFORMATION**

WM.Kerr (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.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Revenue**

Revenue is the total amount receivable by the company for goods supplied and services provided, excluding Value Added Tax and trade discounts.

Sales of produce are recognised upon despatch.

**Intangible fixed assets**

Intangible assets are represented by the cost of purchasing sugar beet contracts. These contracts are amortised evenly over the period for which they may reasonably be expected to be of value to the business. Amortisation at a rate of 33.33% has been charged to the income statement in this respect.

Intangible assets include entitlements to the basic payment. The entitlements are recognised at fair value and written off on a straight line basis over the period to 31 December 2019 when the scheme ends.

**Property, plant and equipment**

Depreciation is calculated to write down the cost of all tangible fixed assets other than freehold land and buildings, by equal annual instalments or by the reducing balance method over their expected useful lives. The rates/periods generally applicable are:

Freehold land and buildings	Nil
Improvements to property	4% on cost
Plant and equipment	15 - 25% reducing balance and 10 - 33% straight line
Motor vehicles	15 - 25% reducing balance
Tractors and harvesters	15 - 25% reducing balance
Office equipment	25 - 33% straight line

No depreciation has been provided for freehold property. It is the company's policy to maintain its property in a continual state of sound repair. In the case of freehold buildings, the directors consider that the lives of these buildings and their residual value are such that their depreciation is not significant.

**Inventories**

Inventories are measured at the lower of cost and fair value less costs to complete and sell after making due allowance for obsolete and slow moving items.

**Notes to the Financial Statements - continued  
for the Year Ended 30 September 2019**

**2. ACCOUNTING POLICIES - continued**

**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.

**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.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance lease are capitalised in the statement of financial position. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the income statement over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

**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 the income statement in the period to which they relate.

**Fixed asset investments**

Investments are valued at the lower of cost and market value at the year end.

**Basic farm payment**

The Basic Farm Payment is recognised in the financial statements in accordance with current H.M. Revenue & Customs guidance.

**Interests in joint ventures**

Joint ventures are recognised at cost less impairment. Shares of profits and losses are recognised in the income statement.

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2019

## 3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 15 (2018 - 17) .

## 4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
<b>COST</b>	
At 1 October 2018 and 30 September 2019	<u>62,535</u>
<b>AMORTISATION</b>	
At 1 October 2018	45,138
Charge for year	<u>12,008</u>
At 30 September 2019	<u>57,146</u>
<b>NET BOOK VALUE</b>	
At 30 September 2019	<u>5,389</u>
At 30 September 2018	<u>17,397</u>

## 5. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings £	Improvements to property £	Plant and equipment £
<b>COST OR VALUATION</b>			
At 1 October 2018	3,856,025	202,003	1,421,116
Additions	-	11,020	22,078
Disposals	-	-	(57,650)
At 30 September 2019	<u>3,856,025</u>	<u>213,023</u>	<u>1,385,544</u>
<b>DEPRECIATION</b>			
At 1 October 2018	-	174,034	1,206,893
Charge for year	-	1,788	52,014
Eliminated on disposal	-	-	(55,273)
At 30 September 2019	-	<u>175,822</u>	<u>1,203,634</u>
<b>NET BOOK VALUE</b>			
At 30 September 2019	<u>3,856,025</u>	<u>37,201</u>	<u>181,910</u>
At 30 September 2018	<u>3,856,025</u>	<u>27,969</u>	<u>214,223</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2019

## 5. PROPERTY, PLANT AND EQUIPMENT - continued

	Motor vehicles £	Tractors and harvesters £	Office equipment £	Totals £
<b>COST OR VALUATION</b>				
At 1 October 2018	226,125	1,116,776	64,376	6,886,421
Additions	-	-	957	34,055
Disposals	(50,495)	(32,500)	-	(140,645)
At 30 September 2019	<u>175,630</u>	<u>1,084,276</u>	<u>65,333</u>	<u>6,779,831</u>
<b>DEPRECIATION</b>				
At 1 October 2018	163,538	602,650	62,687	2,209,802
Charge for year	15,162	117,668	1,085	187,717
Eliminated on disposal	(45,745)	(31,148)	-	(132,166)
At 30 September 2019	<u>132,955</u>	<u>689,170</u>	<u>63,772</u>	<u>2,265,353</u>
<b>NET BOOK VALUE</b>				
At 30 September 2019	<u>42,675</u>	<u>395,106</u>	<u>1,561</u>	<u>4,514,478</u>
At 30 September 2018	<u>62,587</u>	<u>514,126</u>	<u>1,689</u>	<u>4,676,619</u>

Cost or valuation at 30 September 2019 is represented by:

	Freehold land and buildings £	Improvements to property £	Plant and equipment £
Valuation in 2019	<u>3,856,025</u>	<u>213,023</u>	<u>1,385,544</u>

  

	Motor vehicles £	Tractors and harvesters £	Office equipment £	Totals £
Valuation in 2019	<u>175,630</u>	<u>1,084,276</u>	<u>65,333</u>	<u>6,779,831</u>

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2019 £	2018 £
Cost	<u>1,476,960</u>	<u>1,476,960</u>

Freehold land and buildings were valued on an open market basis on 18 January 2012 by Cheffins Chartered Surveyors

The company has taken advantage of exemption, under section 35.10 of Financial Reporting Standard 102, to use a previous GAAP revaluation as deemed cost.

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2019

## 6. FIXED ASSET INVESTMENTS

	Other investments £
<b>COST</b>	
At 1 October 2018	
and 30 September 2019	<u>448,440</u>
<b>NET BOOK VALUE</b>	
At 30 September 2019	<u>448,440</u>
At 30 September 2018	<u>448,440</u>

## 7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	470,508	493,299
Other debtors	245,506	121,284
Directors' current accounts	599,635	460,280
VAT	190	-
Prepayments and accrued income	<u>255,492</u>	<u>206,895</u>
	<u>1,571,331</u>	<u>1,281,758</u>

## 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank loans and overdrafts	233,387	-
Hire purchase contracts	111,758	124,439
Trade creditors	664,698	699,516
Corporation tax	89,023	110,121
Other taxes and social security	11,131	11,658
VAT	-	20,905
Other creditors	1,876	5,399
Accruals and deferred income	<u>131,173</u>	<u>101,702</u>
	<u>1,243,046</u>	<u>1,073,740</u>

## 9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Bank loans	3,000,000	3,000,000
Hire purchase contracts	<u>143,548</u>	<u>239,246</u>
	<u>3,143,548</u>	<u>3,239,246</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2019

## 10. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Hire purchase contracts	255,306	363,685
Bank loans and overdraft	3,233,387	3,000,000
	<u>3,488,693</u>	<u>3,363,685</u>

The bank loans and overdraft are secured on the freehold land and buildings of the company. The hire purchase liabilities are secured on the assets to which they relate.

## 11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
89,925	Ordinary shares of £1 each	£1	89,925	89,925
3,500	Deferred Ordinary shares of £1 each	£1	3,500	3,500
3,000	Redeemable preference shares of £1 each	£1	3,000	3,000
			<u>96,425</u>	<u>96,425</u>

## 12. RESERVES

At 1 October 2018  
and 30 September 2019

Revaluation  
reserve  
£

2,445,174

The aggregate surplus on re-measurement of freehold properties, net of associated deferred tax, is transferred to a separate non-distributable revaluation reserve in order to assist with the identification of profits available for distribution.

## 13. OTHER FINANCIAL COMMITMENTS

At the year end the company has commitments due as follows:

	2019	2018
	£	£
Within one year	716	838
Between one and five years	2,291	2,864
In more than five years	-	143
	<u>3,007</u>	<u>3,845</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2019

14. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 September 2019 and 30 September 2018:

	2019 £	2018 £
<b>B W Kerr</b>		
Balance outstanding at start of year	460,280	343,183
Amounts advanced	174,214	220,693
Amounts repaid	(34,859)	(103,596)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>599,635</u>	<u>460,280</u>

The loans made to the directors were unsecured, interest free and repayable on demand.

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