

REGISTERED NUMBER: 00639558 (England and Wales)

**Directors' Report and
Financial Statements for the Year Ended 31 July 2014
for
G W Padley Farms Limited**

TUESDAY



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COMPANIES HOUSE

G W Padley Farms Limited (Registered number: 00639558)

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for the Year Ended 31 July 2014**

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G W Padley Farms Limited (Registered number: 00639558)

**Directors' Report
for the Year Ended 31 July 2014**

The directors present their report with the audited financial statements of the company for the year ended 31 July 2014. The company has taken the exemption from preparing a strategic report in accordance with section 414b of the Companies Act 2006 relating to small companies.

PRINCIPAL ACTIVITY

The principal activity of the company is arable farming and contracting.

REVIEW OF BUSINESS

Turnover for the financial year was £70,000 (2013: £135,000) and profit on ordinary activities before taxation for the year was £69,000 (2013: £21,000).

DIVIDENDS

The directors do not recommend the payment of a dividend (2013: £nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2013 to the date of this report.

Mrs D Padley
Mr D G Padley
Mr S J Padley

Mr D G Padley held the office of chairman during the whole of the period from 1 August 2013 to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

G W Padley Farms Limited (Registered number: 00639558)

**Directors' Report
for the Year Ended 31 July 2014**

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

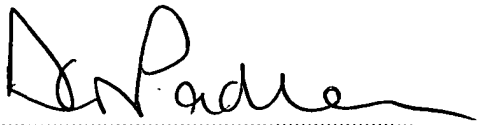
In the case of each director in office at the date the Directors' Report is approved, the following applies:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware;
and

(b) he/she has taken all the steps that he/she ought to have taken as as director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'D G Padley', written over a dotted line.

Mr D G Padley - Director

Date: 15 DECEMBER 2014

Independent auditors' report to the members of G W Padley Farms Limited

Report on the financial statements

Our opinion

In our opinion, G W Padley Farms Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 July 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

G W Padley Farms Limited's financial statements comprise:

- the Balance sheet as at 31 July 2014;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of G W Padley Farms Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

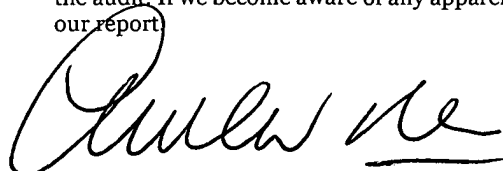
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Directors' Report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Andrew Mair (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
15 December 2014

G W Padley Farms Limited (Registered number: 00639558)

**Profit and Loss Account
for the Year Ended 31 July 2014**

	Notes	2014 £'000	2013 £'000
TURNOVER	2	70	135
Cost of sales		<u>34</u>	<u>107</u>
GROSS (LOSS)/PROFIT		36	28
Administrative (income)/ expenses		<u>5</u>	<u>7</u>
OPERATING PROFIT		31	21
Profit on sale of fixed assets		<u>38</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	69	21
Tax on profit on ordinary activities	6	<u>4</u>	<u>(27)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>65</u>	<u>48</u>

CONTINUING OPERATIONS

All of the above results arose from continuing operations.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above, and their historical cost equivalents.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year and therefore no separate statement of recognised gains and losses has been presented.

The notes form part of these financial statements

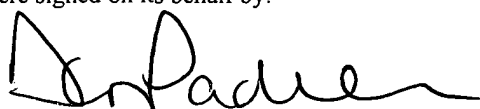
G W Padley Farms Limited (Registered number: 00639558)

**Balance Sheet
31 July 2014**

	Notes	2014 £'000	2013 £'000
FIXED ASSETS			
Tangible assets	7	1,113	1,011
CURRENT ASSETS			
Stocks	8	52	66
Debtors	9	39	50
Cash at bank		<u>606</u>	<u>614</u>
		697	730
CREDITORS			
Amounts falling due within one year	10	<u>24</u>	<u>20</u>
NET CURRENT ASSETS		<u>673</u>	<u>710</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,786</u>	<u>1,721</u>
NET ASSETS		<u>1,786</u>	<u>1,721</u>
CAPITAL AND RESERVES			
Called up share capital	12	-	-
Profit and loss account	13	<u>1,786</u>	<u>1,721</u>
TOTAL SHAREHOLDERS' FUNDS	16	<u>1,786</u>	<u>1,721</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements on pages 5 to 12 were approved by the Board of Directors on 15 DECEMBER 2014 and were signed on its behalf by:



Mr D G Padley - Director



Mr S J Padley - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 July 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006. The directors have reviewed the Company's accounting policies and consider that they are 'most appropriate' in accordance with Financial Reporting Standard 18 "Accounting Policies". The principal accounting policies, which have been applied consistently, are set out below:

Turnover

Turnover represents the amount receivable in the ordinary course of business for farming subsidies and goods sold after deducting value added tax.

Tangible fixed assets

Properties and plant and machinery are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Freehold land is not depreciated. Other assets are depreciated at rates designed to write off the cost in equal instalments over their estimated useful lives, the following annual rates being applied:

Freehold buildings	10%
Plant and machinery	20%

Stocks

Stocks of growing crops are stated at the lower of cost and net realisable value. Cost includes materials, labour and attributable overheads. Net realisable value is the estimated proceeds from the sale of items of stock (net of trade discounts, but before settlement discounts) less all further costs to completion and less all costs to be incurred in marketing, selling and distributing directly related to the items in question.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax has not been discounted.

A deferred tax asset is regarded as recoverable and therefore only recognised when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

2. TURNOVER

The turnover is attributable to the principal activity of the company and is derived wholly from the UK.

3. STAFF COSTS

In the current and previous year the company had no employees and receives no services charges from GW Padley Services Limited.

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2014**

4. DIRECTORS' EMOLUMENTS AND INTERESTS

The directors did not receive any emoluments for their services during the year (2013: £nil). Three of the directors are accruing retirement benefits under the defined benefit scheme in respect of their services to this company (2013: Three).

5. OPERATING PROFIT

The operating profit is stated after charging:

	2014	2013
	£'000	£'000
Depreciation - owned assets	11	1
Auditors' remuneration - audit fees	<u>2</u>	<u>2</u>

6. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	2014	2013
	£'000	£'000
Deferred tax	<u>4</u>	<u>(27)</u>
Tax on profit on ordinary activities	<u>4</u>	<u>(27)</u>

Factors affecting the tax charge/(credit)

The tax assessed for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 22.33% (2013: 23.67%). The difference is explained below:

	2014	2013
	£'000	£'000
Profit on ordinary activities before tax	<u>69</u>	<u>21</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 22.330% (2013 - 23.670%)	15	5
Effects of:		
Income not taxable for tax purposes	(14)	-
Capital allowances in excess of depreciation	(7)	-
Permanently disallowable expenses	-	3
Losses	-	(8)
Group relief not paid for	<u>6</u>	<u>-</u>
Current tax charge/(credit)	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2014

6. TAXATION - continued

Factors that may affect future tax charges

The March 2013 Budget included a reduction in the main rate of corporation tax for UK companies from 23% to 21% from 1 April 2014. In addition the main rate of corporation tax will further reduce to 20% from 1 April 2015. All of these changes were substantially enacted on 2 July 2013.

7. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Plant and machinery £'000	Totals £'000
COST			
At 1 August 2013	1,017	233	1,250
Additions	67	46	113
Disposals	-	(100)	(100)
At 31 July 2014	<u>1,084</u>	<u>179</u>	<u>1,263</u>
DEPRECIATION			
At 1 August 2013	6	233	239
Charge for year	2	9	11
Eliminated on disposal	-	(100)	(100)
At 31 July 2014	<u>8</u>	<u>142</u>	<u>150</u>
NET BOOK VALUE			
At 31 July 2014	<u>1,076</u>	<u>37</u>	<u>1,113</u>
At 31 July 2013	<u>1,011</u>	<u>-</u>	<u>1,011</u>

Included in the Freehold land & buildings cost is freehold land amounting to £1,064,000 (2013: £1,000,000) which is not depreciated.

There were no capital commitments at 31 July 2014 (2013: £nil).

8. STOCKS

	2014 £'000	2013 £'000
Growing crops	<u>52</u>	<u>66</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
Trade debtors	2	1
Amounts owed by group undertakings	-	2
Other debtors	3	2
Tax	3	-
Deferred tax asset	25	29
Prepayments and accrued income	<u>6</u>	<u>16</u>
	<u>39</u>	<u>50</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2014**

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

The trading forecast prepared by the directors indicates that all of the deferred tax assets are expected to be recoverable in more than one year.

Amounts owed by other group undertakings are unsecured, interest free, have no fixed date of repayment.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
Trade creditors	5	11
Amounts owed to group undertakings	2	-
Accruals and deferred income	<u>17</u>	<u>9</u>
	<u><u>24</u></u>	<u><u>20</u></u>

Amounts owed to other group undertakings are unsecured, interest free and are repayable on demand.

11. DEFERRED TAX

	£'000
Balance at 1 August 2013	(29)
Charge to Profit and Loss Account during year	6
Prior year adjustment	<u>(2)</u>
Balance at 31 July 2014	<u><u>(25)</u></u>

The deferred tax asset recognised in the financial statements is as follows:

	2014 £'000	2013 £'000
Accelerated capital allowances	(4)	2
Trading losses	29	27
	—	—
Total	<u><u>25</u></u>	<u><u>29</u></u>

There were no unprovided deferred tax assets at either year end.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

			2014 £	2013 £
Number:	Class:	Nominal value:		
2 (2013: 2)	Ordinary	£1	<u><u>2</u></u>	<u><u>2</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 July 2014

13. RESERVES

	Profit and loss account £'000
At 1 August 2013	1,721
Profit for the financial year	<u>65</u>
At 31 July 2014	<u>1,786</u>

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking and controlling party is G W Padley Holdings Limited, a company incorporated in the United Kingdom. It is the parent company of the smallest and largest group in which the results of the Company for the year were consolidated and copies of its consolidated financial statements may be obtained from the address below:

G W Padley Holdings Limited
Stone Cottage
58 Main Street
Anwick
Sleaford
Lincolnshire
NG34 9SJ.

No one party is regarded as the ultimate controlling party of G W Padley Holdings Limited.

15. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8 'Related Party Disclosures' note to disclose related party transactions with other group companies, on the grounds that it is a wholly owned subsidiary of a group headed by G W Padley Holdings Limited, whose financial statements are publicly available.

Empingham Estate

Mr D G Padley operates Empingham Estate, which purchased goods and services from the company amounting to £1,636 (2013: £Nil). At the year end the company had no balances outstanding with Empingham Estate (2013: £Nil).

D G and S J Padley Farms

D G and S J Padley Farms purchased goods from the company amounting to £685 during the year (2013: £2,356). The partnership sold goods and services to the company amounting to £Nil (2013: £6,485) during the year. At the year end £248 was owed to the company by the partnership (2013: £263).

S J Padley Farms Limited

Mr S J Padley operates S J Padley Farms Limited, which purchased goods from the company amounting to £7,449 during the year (2013: £7,724). S J Padley Farms Limited sold goods and services to the company amounting to £8,639 (2013: £18,749) during the year. At the year end £1,808 was owed to the company by S J Padley Farms Limited (2013: amount owed by the company to S J Padley Farms Limited of £1,559).

Notes to the Financial Statements - continued
for the Year Ended 31 July 2014

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £'000	2013 £'000
Profit for the financial year	<u>65</u>	<u>48</u>
Net addition to shareholders' funds	65	48
Opening shareholders' funds	<u>1,721</u>	<u>1,673</u>
Closing shareholders' funds	<u>1,786</u>	<u>1,721</u>

17. CASH FLOW STATEMENT

The company is a wholly owned subsidiary company of a group headed by G W Padley Holdings Limited, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemptions within FRS 1 (revised 1996) 'Cash flow statements' from preparing a cash flow statement.