

**Company number:
01761489**

**KNIGHT FARM MACHINERY LIMITED
ABBREVIATED STATUTORY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

**MOORE STEPHENS
CHARTERED ACCOUNTANTS
STATUTORY AUDITORS
RUTLAND HOUSE
MINERVA BUSINESS PARK
LYNCH WOOD
PETERBOROUGH
CAMBRIDGESHIRE
PE2 6PZ**

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COMPANIES HOUSE

KNIGHT FARM MACHINERY LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

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AUDITOR'S REPORT TO KNIGHT FARM MACHINERY LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006.

We have examined the abbreviated accounts on pages 2 to 6 together with the full financial statements of Knight Farm Machinery Limited for the year ended 31 March 2012, prepared under s 396 of the Companies Act 2006

This report is made solely to the company, in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with s 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with s 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Richard Sandbach FCA (Senior Statutory Auditor)

for and on behalf of Moore Stephens

Chartered Accountants

Statutory Auditors

Rutland House

Minerva Business Park

Lynch Wood

Peterborough

Cambridgeshire

PE2 6PZ

Date

COMPANY NUMBER: 01761489
KNIGHT FARM MACHINERY LIMITED
ABBREVIATED BALANCE SHEET

AT 31 MARCH 2012

	Note	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	2		152,188		135,672
Current assets					
Stocks		1,329,508		1,356,637	
Debtors		708,503		537,501	
Cash at bank and in hand		934,691		736,042	
		<u>2,972,702</u>		<u>2,630,180</u>	
Creditors					
Amounts falling due within one year		(686,372)		(506,014)	
Net current assets			<u>2,286,330</u>		<u>2,124,166</u>
Total assets less current liabilities			<u>2,438,518</u>		<u>2,259,838</u>
Provisions for liabilities			(19,136)		(13,567)
Net assets			<u><u>2,419,382</u></u>		<u><u>2,246,271</u></u>
Capital and reserves					
Called up share capital	3		500,100		500,100
Profit and loss account			1,919,282		1,746,171
Shareholders' funds			<u><u>2,419,382</u></u>		<u><u>2,246,271</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

Approved by the board of directors on 20/12/2012 and signed on its behalf


B G Knight
Director

The annexed notes form part of these financial statements

KNIGHT FARM MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents income receivable for goods and services provided in the period, exclusive of Value Added Tax

Income from sales is recognised on the despatch of finished goods to the customer

Royalties in respect of design work are included within turnover when the related sales occur

Depreciation of fixed assets

A full year's depreciation is charged in the year of acquisition of an asset but none in the year of disposal

Depreciation has been computed to write off the cost of fixed assets less their estimated residual value over their expected useful lives at the following rates -

Leasehold improvements	Evenly over the period of the lease
Leasehold premises	2% per annum on cost
Plant and machinery	15% per annum reducing balance
Fixtures and fittings	15% per annum reducing balance
Computer equipment	33 1/3% per annum straight line
Motor vehicles	25% per annum reducing balance

Stocks

Stocks and work in progress are valued consistently at the lower of cost (on first in first out basis) or net realisable value. Cost, where appropriate, includes a proportion of directly attributable overheads

Work in progress is valued at cost multiplied by the level of completion for each machine at the year end. Cost is calculated by deducting the estimated gross margin from the agreed sales price for each item

Debtors

Debtors are shown after providing for any amounts which in the opinion of the directors may not be collected in full

KNIGHT FARM MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

Deferred taxation

Deferred tax assets and liabilities have arisen from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation. Full provision is made for all liabilities, and provision is made for assets to the extent that they are considered more likely than not to be recoverable in the foreseeable future. Provision is made using tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based upon rates enacted at the balance sheet date.

Foreign exchange

Transactions in foreign currencies have been translated at the rate prevailing at the date of the transaction, the closing balances of monetary assets and liabilities denominated in a foreign currency have been translated at the rate prevailing on the Balance Sheet date. All profits and losses arising on exchange have been recognised in the Profit and Loss Account.

Leasing

Leasing rentals payable on agreements which transfer substantially all the risks and rewards associated with ownership to the lessee (finance leases) are capitalised within Fixed Assets, and the obligation to pay future rentals included in creditors as a liability. The interest charges implicit in such a lease are written off to the Profit and Loss Account in proportion to the balance outstanding during the year.

All other leasing rentals (operating leases) are written off to the Profit and Loss Account on a straight line basis over the lease term.

Pension costs

Pension costs are recognised in the profit and loss account as they fall due.

KNIGHT FARM MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

2 Tangible fixed assets

	Total £
Cost	
At 1 April 2011	678,174
Additions	57,775
Disposals	(16,168)
	<hr/>
At 31 March 2012	719,781
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Depreciation	
At 1 April 2011	542,502
Charge for the year	38,076
Eliminated on disposal	(12,985)
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At 31 March 2012	567,593
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Net book value	
At 31 March 2012	152,188
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At 31 March 2011	135,672
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3 Share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
Ordinary shares of £1 each	100	100
7% (Net) Cumulative Non-Redeemable Preference	500,000	500,000
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In accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the 7% Cumulative Non-redeemable Preference shares are appropriately classified as equity

The 7% Cumulative Non-Redeemable Preference Shares do not confer any voting rights, but are paid off at par in the event of a winding up in priority to any repayment on the Ordinary Shares

The total dividends outstanding at 31 March 2012 amount to £140,000 (2011 £105,000)
These relate to the 7% net cumulative Non-Redeemable Preference shares

KNIGHT FARM MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

4. Ultimate holding company

The ultimate holding company is Knights of Casterton Limited by virtue of its 100% share holding