

**Company number:
1761489 (ENGLAND & WALES)**

**KNIGHT FARM MACHINERY LIMITED
ABBREVIATED STATUTORY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

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

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KNIGHT FARM MACHINERY LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

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INDEPENDENT AUDITORS' REPORT TO KNIGHT FARM MACHINERY LIMITED

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985.

We have examined the abbreviated accounts on pages 2 to 6 together with the financial statements of Knight Farm Machinery Limited for the year ended 31 March 2009, prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit 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 section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "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 sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.



**Moore Stephens
Chartered Accountants
Registered Auditors
Rutland House
Minerva Business Park
Lynch Wood
Peterborough**

30 Oct 09

Company number:
1761489 (ENGLAND & WALES)

KNIGHT FARM MACHINERY LIMITED

ABBREVIATED BALANCE SHEET

AT 31 MARCH 2009

	Note	2009	2008
		£	£
Fixed assets			
Tangible assets	2	123,928	127,668
Current assets			
Stocks		1,154,938	945,080
Debtors		495,137	675,964
Cash at bank and in hand		550,135	368,297
		<u>2,200,210</u>	<u>1,989,341</u>
Creditors			
Amounts falling due within one year		<u>(655,626)</u>	<u>(397,514)</u>
Net current assets		<u>1,544,584</u>	<u>1,591,827</u>
Total assets less current liabilities		<u>1,668,512</u>	<u>1,719,495</u>
Provisions for liabilities		<u>(5,181)</u>	<u>-</u>
Net assets		<u><u>1,663,331</u></u>	<u><u>1,719,495</u></u>
Capital and reserves			
Called up share capital	3	500,100	500,100
Profit and loss account		<u>1,163,231</u>	<u>1,219,395</u>
Shareholders' funds		<u><u>1,663,331</u></u>	<u><u>1,719,495</u></u>

In preparing these abbreviated financial statements the directors have taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board of directors on 21 October 2009 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 2009

1. Accounting policies

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

Turnover represents charges to external customers exclusive of Value Added Tax and trade discounts. Royalties in respect of design work done are included within turnover when the related sales occur.

Depreciation of fixed assets

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

Leasehold Premises Improvements	evenly over the period of the lease
Leasehold premises	2% on cost
Fixtures and fittings	15% per annum reducing balance
Plant and machinery	15% per annum reducing balance / straight line over 100 years
Motor vehicles	25% per annum reducing balance
Computer equipment	33 1/3% straight line

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

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.

Debtors

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

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 has been made to the extent to which it is considered more likely than not to become payable/recoverable in the foreseeable future and at the rate eventually expected to be charged.

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.

KNIGHT FARM MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

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.

Dividends

In accordance with the Financial Reporting Standards for Small Entities (effective January 2007), final dividends are only provided if they have been declared before the balance sheet date.

2. Tangible fixed assets

	Total £
Cost:	
At 1 April 2008	633,580
Additions	36,396
Disposals	(39,350)
	<hr/>
At 31 March 2009	630,626
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Depreciation:	
At 1 April 2008	505,912
Charge for the year	32,873
Eliminated on disposal	(32,087)
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At 31 March 2009	506,698
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Net book value:	
At 31 March 2009	123,928
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At 31 March 2008	127,668
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KNIGHT FARM MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

3. Share capital

	2009	2008
	£	£
Authorised		
Ordinary shares of £1 each	100	100
7% (Net) Cumulative Non-Redeemable Preference	500,000	500,000
	<u>500,100</u>	<u>500,100</u>
	<u>£</u>	<u>£</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	100	100
7% (Net) Cumulative Non-Redeemable Preference	500,000	500,000
	<u>500,100</u>	<u>500,100</u>
	<u>£</u>	<u>£</u>

In accordance with the Financial Reporting Standard for Smaller Entities effective January 2005), 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.

Dividends of £35,000 in relation to the 7% net cumulative Non-Redeemable Preference shares are in arrears in respect of the year ended 31 March 2009.

4. Transactions with directors and officers

During the year sales of £NIL (2008: £10,782) were made to the company by a director, B Knight. The transactions were on normal commercial terms.

KNIGHT FARM MACHINERY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

5. Related party transactions

During the year the company engaged in transactions with (1) the Knight Farm Machinery Limited Pension Scheme; and (2) R G Knight and Son, a farming partnership in which Mr R G Knight, a director of the company is a partner; (3) Knights of Casterton Limited in which Mr B G Knight is a director; and (4) Mrs S Knight who is the wife of Mr B G Knight.

During the year, the company paid rent to the Knight Farm Machinery Limited Pension Scheme amounting to £129,238 (2008: £89,390). The balance outstanding at the year end was £Nil (2008: Nil).

During the year the company made sales to R G Knight and Son of £8,721 (2008: £16,832) and purchases from R G Knight and son of £3,278 (2008: £6,282).

The amount owed to Knight Farm Machinery by R G Knight and Son at the year end was £1,362 (2008: owed to R G Knight and son £777).

During the year the company paid £306,000 (2008: £144,000) management charges to Knights of Casterton Limited.

At the year end Knight Farm Machinery Limited owed Knights of Casterton Limited £157,644 (2008: Knights of Casterton Limited owed Knight Farm Machinery Limited £329,481).

During the year the company made sales to Mrs S Knight of £362 (2008: £445). The balance owed by Mrs S Knight to the company at the year end was £Nil (2008: £Nil).

All transactions were on normal commercial terms.

6. Ultimate controlling party

The company is under the control of Knights of Casterton Limited, by virtue of its majority shareholding.

Knights of Casterton Limited is controlled by B G Knight who is the ultimate controlling party.