

Registered number: 02596793

Ledger Farms Limited

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 30 September 2021

Chartered Accountants' Report to the Board of Directors on the preparation of the Unaudited Statutory Financial Statements of Ledger Farms Limited for the Year Ended 30 September 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Ledger Farms Limited for the year ended 30 September 2021 which comprise the Balance Sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Ledger Farms Limited, as a body, in accordance with the terms of our engagement letter dated 22 November 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Ledger Farms Limited and state those matters that we have agreed to state to the Board of Directors of Ledger Farms Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ledger Farms Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Ledger Farms Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Ledger Farms Limited. You consider that Ledger Farms Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Ledger Farms Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kreston Reeves LLP
Chartered Accountants
Canterbury
31 August 2022

Balance Sheet
As at 30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	<u>796,988</u>	<u>1,043,615</u>
		796,988	1,043,615
Current assets			
Stocks		67,120	38,147
Debtors: amounts falling due within one year	5	1,565,118	2,165,220
Cash at bank and in hand	6	<u>17,064</u>	<u>-</u>
		1,649,302	2,203,367
Creditors: amounts falling due within one year	7	<u>(1,277,136)</u>	<u>(1,788,832)</u>
Net current assets		<u>372,166</u>	<u>414,535</u>
Total assets less current liabilities		<u>1,169,154</u>	<u>1,458,150</u>
Creditors: amounts falling due after more than one year	8	(15,000)	(104,947)
Provisions for liabilities			
Deferred tax	10	<u>(159,352)</u>	<u>(158,646)</u>
		<u>(159,352)</u>	<u>(158,646)</u>
Net assets		<u><u>994,802</u></u>	<u><u>1,194,557</u></u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>994,800</u>	<u>1,194,555</u>
		<u>994,802</u>	<u>1,194,557</u>

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 the 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 statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

Ledger Farms Limited
Registered number: 02596793

Balance Sheet (continued)
As at 30 September 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 August 2022.

Mr K M Ledger
Director

Mrs J K Swinerd
Director

The notes on pages 4 to 10 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 September 2021

1. General information

Ledger Farms Limited is a private company limited by shares which was incorporated in England and Wales with registration number 02596793.

The company's registered office is Ripple Farm, Chapel Lane, Ripple, Deal, Kent, England, CT14 8JQ

The financial statements are presented in Pound Sterling, and rounded to the nearest pound.

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 following principal accounting policies have been applied:

2.2 Revenue

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

Sale of goods

Revenue 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 revenue 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

Revenue 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 revenue 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.

2.3 Finance costs

Finance costs are charged to profit or loss 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.

**Notes to the Financial Statements
For the Year Ended 30 September 2021**

2. Accounting policies (continued)

2.4 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet 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 balance sheet 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 balance sheet date.

2.6 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	10%	on cost
Motor vehicles	-	20%	on cost
Fixtures and fittings	-	15%	on cost
Tractors and combines	-	15%	on cost

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 profit or loss.

**Notes to the Financial Statements
For the Year Ended 30 September 2021**

2. Accounting policies (continued)

2.7 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.

At each balance sheet 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 Balance Sheet.

2.12 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 ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 14 (2020 - 15).

Notes to the Financial Statements
For the Year Ended 30 September 2021

4. Tangible fixed assets

	Improvements to property £	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Tractors and combines £	Total £
Cost or valuation						
At 1 October 2020	2,505	712,671	53,496	3,046	1,627,816	2,399,534
Disposals	-	-	-	-	(13,244)	(13,244)
	2,505	712,671	53,496	3,046	1,614,572	2,386,290
At 30 September 2021						
Depreciation						
At 1 October 2020	1,503	497,382	52,656	2,887	801,490	1,355,918
Charge for the year on owned assets	251	35,294	-	94	210,989	246,628
Disposals	-	-	-	-	(13,244)	(13,244)
	1,754	532,676	52,656	2,981	999,235	1,589,302
At 30 September 2021						
Net book value						
At 30 September 2021	751	179,995	840	65	615,337	796,988
At 30 September 2020	1,002	215,288	840	159	826,326	1,043,615

Notes to the Financial Statements
For the Year Ended 30 September 2021

4. Tangible fixed assets (continued)

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

	2021 £	2020 £
Freehold	752	1,002
	<u>752</u>	<u>1,002</u>

5. Debtors

	2021 £	2020 £
Trade debtors	109,730	324,228
Amounts owed by group undertakings	1,375,084	1,813,670
Prepayments and accrued income	80,304	27,322
	<u>1,565,118</u>	<u>2,165,220</u>

6. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	17,064	-
Less: bank overdrafts	-	(178,525)
	<u>17,064</u>	<u>(178,525)</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	-	178,525
Trade creditors	355,919	526,635
Other taxation and social security	524,863	578,986
Obligations under finance lease and hire purchase contracts	89,947	203,011
Other creditors	252,167	246,256
Accruals and deferred income	54,240	55,419
	<u>1,277,136</u>	<u>1,788,832</u>

Notes to the Financial Statements
For the Year Ended 30 September 2021

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Net obligations under finance leases and hire purchase contracts	15,000	104,947
	<u>15,000</u>	<u>104,947</u>

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	90,197	203,336
Between 1-5 years	15,250	105,447
	<u>105,447</u>	<u>308,783</u>

10. Deferred taxation

	2021 £	2020 £
At beginning of year	(158,646)	(146,399)
Charged to profit or loss	(706)	(12,247)
At end of year	<u>(159,352)</u>	<u>(158,646)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(161,178)	(161,863)
Tax losses carried forward	1,826	3,217
	<u>(159,352)</u>	<u>(158,646)</u>

**Notes to the Financial Statements
For the Year Ended 30 September 2021**

11. Related party transactions

During the year the company traded with Appleton Farms Limited (a company in which Mr K M Ledger is a director and has a material interest) and with Ripple Farms Limited (a company in which Mrs S J Simpson and Mrs J K Swinerd are directors and have a material interest). The fees charged for contracting and expense recharges provided to the companies during the year were as follows:

Appleton Farms Limited	£2,001,970 (2020 - £2,130,338)
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Ripple Farms Limited	£492,892 (2020 - £597,223)
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All transactions were carried out on normal trading terms.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.