

Registered number: 03469488

Parent for
279304

The Boxford Group Ltd

**Directors' report and financial statements
for the year ended 31 March 2020**

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The Boxford Group Ltd

Company information

Directors

J Loshak
C J P Meyer
S P Rendall
T C Unwin

Company secretary

J Loshak

Registered number

03469488

Registered office

The Stoke By Nayland Club
Keepers Lane, Leavenheath
Colchester
Essez
CO6 4PZ

Independent auditors

Chavereys
Chartered Accountants and Statutory Auditors
2 Jubilee Way
Faversham
Kent
ME13 8GD

The Boxford Group Ltd

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The Boxford Group Ltd

Group strategic report for the year ended 31 March 2020

Introduction

The directors present their report and the financial statements for the year ended 31 March 2020.

Business review

The principal activity of the company during the year was that of a holding company.

The principal activities of the other companies within the group were as follows:

Boxford (Suffolk) Holdings Limited - During the year the principle activity of the company was that of a holding company providing management services and financing to its subsidiaries and determining the strategy, investment and financing policies for the group.

Boxford (Suffolk) Farms Limited - During the year the principal activities of the company were those of fruit growing and farming. The company continued its substantial programme of investments in core and diversified activities during the year; with continued investment and R&D in new apple & cherry orchards and further investment and R&D in the Anaerobic Digestion plant including digestate drying operations. The Anaerobic Digestion plant continued to operate to budget, and the wood chipping and drying business continues to supply the Farm's glasshouse biomass boilers. The company won the Anaerobic Digestion and Bioresources Association's 2019 Award for 'Best Biogas Plant 1MW equivalent' and was Highly Commended in the 'Most Circular City' category. The glasshouse unit at Harwich Road had its sixth full season with the spring crop being supplied with heat and CO₂ for the fifth time. The company won the Horticulture Week Business Award - Soft Fruit Grower of the Year Award in June 2018 and highly commended Top Fruit Grower of the Year category. During the year we completed the building of 16 Dynamically Controlled Atmosphere stores at our Ardleigh site. This gives us an extra capacity of 5050 bins or approximately 1,515 tonnes of fruit.

The Stoke By Nayland Club Limited - The principal activity of the company during the year was that of the provision of hotel and self-catered lodges accommodation, golf, conference and leisure facilities. The Company's luxury country lodges and 4 star hotel continued to perform well. The venue was delighted to win the national Family Business United's Hotel and Leisure Family Business of the Year Award in June 2019, a fantastic accolade "demonstrating great governance and family values". The Resort continued with its commitment to using self-sustainable energy sources, with power supplied from solar PV panels, ground source and air source heat pumps, and a CHP unit which converts biogas from its sister company's AD Plant into heat and power on the resort. The group won the best Biogas Plant award at the international AD and Biogas Awards in November 2019. The Resort was once again selected as the host venue for the Ladies European Tour Access Series and for the Men's European Tour Qualifying Event. It also hosted the international English Disability Open Golf Tournament, supported by the R & A and England Golf. All these events are testament to the quality of the courses and the substantial ongoing investment being made into them and the golf facilities. A state-of-the-art Foresight GC Quad Golf Simulator was also opened at the hotel, offering golfers the opportunity to play famous courses around the world at any time of the day or evening. The hotel is a centre of excellence for golf and is an England Golf training centre, located at the hotel's driving range site. The venue won the Golf Club Wedding Venue of the Year award at the Essex Wedding Awards and also launched its Tipi Wedding site in an idyllic woodland setting near the lakes. The resort invested in a stunning Winter Wonderland transformation for the festive season which boosted festive event ticket sales and provided a unique backdrop for both corporate and private functions. The original golf clubhouse was totally refurbished in January and rebranded The Sports Bar, specialising in hearty golfers' fayre with live TV sport. Stoke by Nayland's talented team continue to deliver consistent high standards of customer service - the hotel and country lodges have been awarded the Trip Advisor Certificate of Excellence for the past few years. The company invested heavily in the development and training of its senior and middle management teams to facilitate management progression and create excellence in their performance.

Peake Fruit Limited - During the year the principal activities of the company were the storage, packing and marketing of fruit. The company experienced another good year which saw a further increase in turnover by 12.9%, whilst continuing to control expenditure and costs. The company continued to invest to increase capacity, and to further reduce the company's carbon footprint. As in prior years, the company is building on its successful relationships with blue chip customers.

The Boxford Group Ltd

Group strategic report (continued) for the year ended 31 March 2020

Principal risks and uncertainties

Financial instruments:

The group's principal financial instruments are secured long term borrowings on both fixed and variable rates of interest.

The group does not use financial instruments to hedge major forecast transactions.

Credit risk:

The group offers minimal credit and balances are reviewed on a regular basis and recoverability ensured.

Price risk:

The group's sales prices related to its fruit farming and associated activities generally follow the UK and European averages, which are affected by the weather and harvest yields. The group uses marketing agents in order to obtain the best prices possible.

The group's sales prices related to hotel, restaurant and leisure activities are affected by the level of disposable income in the UK.

The group's main expense is employee wages; rates of pay are reviewed on an annual basis and in advance of any change in legislation e.g. the introduction of the National Living Wage. The review is performed with reference to forecasts to ensure that the group will continue to make sufficient margins to cover its fixed costs.

Liquidity risk:

The group uses long-term loans to finance fixed asset purchases and capital projects. The group also has a group-wide overdraft facility to help finance its day-to-day operations.

Cash flow risk:

Both the group's fruit farming and hotel related activities follow seasonal patterns. The directors prepare detailed cash flow forecasts in order to ensure that the group will have sufficient cash available throughout the year to meet its financial obligations as they fall due.

Brexit risk:

The group acknowledges Brexit represents a risk and uncertainty going forward (but also a potential opportunity). The group is monitoring developments, and is in continuing discussion with customers, suppliers and other stakeholders to ensure that the impact of Brexit is positively managed.

Covid 19:

In common with many UK businesses, the ongoing potential effect of the Covid-19 pandemic and resultant UK government intervention is an exceptional uncertainty facing the Group. In response to Covid -19 and the closure of the hotel during the lockdown period, management have taken actions to mitigate the significant impact on both profit and cash flow of this closure.

In response to the Covid 19 Pandemic, The Boxford Group Ltd has put in place a range of measures to reduce the risks to staff, supply chain and customers, thereby avoiding any disruption to the farming and packhouse businesses. In Boxford (Suffolk) Farms Limited these include recruiting seasonal workers earlier in order to allow time for quarantine periods, social distancing, creating bubbles for workers so that the same employees live near each other and work together, whilst continuing to enhance hygiene across the Farm and increasing the use of personal protective equipment. In Peake Fruit Limited these include minimising visitor movements on and off our packing and office facilities, ensuring staff work remotely where possible, social distancing, creating plastic screens on packing lines between employees, where the 2 metre rule cannot be enforced, whilst continuing to enhance hygiene across the site and increasing the use of personal protective equipment.

The Boxford Group Ltd

Group strategic report (continued) for the year ended 31 March 2020

Financial key performance indicators

The group's key performance indicators are:

- turnover which for the year increased to £22,644,219 (2019: £20,372,898);
- profit before tax which for the year amounted to £1,061,952 (2019: £837,820), after a depreciation charge of £1,603,520 (2019: £1,358,083);
- and net assets which at the year end were £15,041,229 (2019: £14,139,865).

Other key performance indicators

The businesses are monitored via routine board and management meetings which cover environmental and employee matters, amongst other business.

The group's achievements would not have been possible without the dedication, focus and enthusiasm of the staff, and the board would like to take this opportunity to thank them.

This report was approved by the board and signed on its behalf.



S P Rendall
Director

Date: 28 December 2020

The Boxford Group Ltd

Directors' report for the year ended 31 March 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £1,134,617 (2019: £846,669).

During the year the company paid dividends of £233,253 (2019: £133,251)

Directors

The directors who served during the year were:

J Loshak
C J P Meyer
S P Rendall
T C Unwin

Future developments

Notwithstanding the current uncertain economic outlook, the directors aim to maintain the management policies which have resulted in the company's growth in recent years.

Research and development activities

The company engages in various R&D projects related to greens watering and nutrient treatment on the fairways amongst other projects. This activity has been accounted for as R&D for the second time this year under its R&D accounting policy. Costs incurred in respect of experimental connection and grounds-keeping techniques are recognised as expenses in the profit and loss account while there is uncertainty over whether they will provide any future economic benefits.

The Boxford Group Ltd

Directors' report (continued) for the year ended 31 March 2020

Disabled employees

The group's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Disabled employees receive appropriate training to promote their career development within the company. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

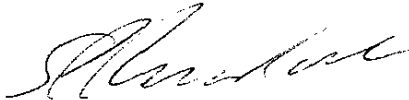
Post balance sheet events

Boxford (Suffolk) Holdings Ltd acquired Wallings Holdings Limited and Wallings Property Limited in July 2020.

Auditors

The auditors, Chavereys, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



S P Rendall

Director

Date: 28 December 2020

The Boxford Group Ltd

Independent auditors' report to the members of The Boxford Group Ltd

Opinion

We have audited the financial statements of The Boxford Group Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020, which comprise the group statement of comprehensive income, the group and company balance sheets, the group statement of cash flows, the group and company statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2020 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

The Boxford Group Ltd

Independent auditors' report to the members of The Boxford Group Ltd (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the group strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the group strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the group strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

The Boxford Group Ltd

Independent auditors' report to the members of The Boxford Group Ltd (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditors' 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.



Nicholas Holmes (senior statutory auditor)
for and on behalf of

Chavereys
Chartered Accountants
and Statutory Auditors
Faversham

28 December 2020

The Boxford Group Ltd

Consolidated statement of comprehensive income for the year ended 31 March 2020

	Note	2020 £	2019 £
Turnover	4	22,644,219	20,372,898
Cost of sales		(16,333,256)	(14,489,609)
Gross profit		6,310,963	5,883,289
Administrative expenses		(5,197,103)	(4,980,946)
Other operating income	5	450,448	420,447
Operating profit	6	1,564,308	1,322,790
Interest payable and expenses	11	(502,356)	(484,970)
Profit before taxation		1,061,952	837,820
Tax on profit	12	72,665	8,849
Profit for the financial year		1,134,617	846,669
Profit for the year attributable to:			
Owners of the parent company		1,134,617	846,669
		1,134,617	846,669

There were no recognised gains and losses for 2020 or 2019 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 18 to 37 form part of these financial statements.

The Boxford Group Ltd
Registered number:03469488

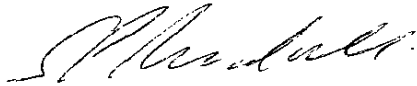
Consolidated balance sheet
as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	32,475,022	31,924,228
Investments	15	21,259	21,259
		32,496,281	31,945,487
Current assets			
Stocks	16	2,449,870	2,073,780
Debtors: amounts falling due within one year	17	2,327,331	2,769,566
Bank and cash balances	18	16,878	14,171
		4,794,079	4,857,517
Creditors: amounts falling due within one year	19	(6,328,535)	(6,373,115)
Deferred income		(691,654)	(665,788)
Net current liabilities		(2,226,110)	(2,181,386)
Total assets less current liabilities		30,270,171	29,764,101
Creditors: amounts falling due after more than one year	20	(13,358,812)	(14,056,922)
Provisions for liabilities			
Deferred taxation		-	(44,651)
		-	(44,651)
Deferred grants	25	(1,870,130)	(1,522,663)
Net assets excluding pension asset		15,041,229	14,139,865
Net assets		15,041,229	14,139,865
Capital and reserves			
Called up share capital	26	65,320	65,320
Share premium account	27	9,662,360	9,662,360
Profit and loss account	27	5,313,549	4,412,185
Equity attributable to owners of the parent company		15,041,229	14,139,865
		15,041,229	14,139,865

The Boxford Group Ltd
Registered number:03469488

Consolidated balance sheet (continued)
as at 31 March 2020

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



S P Rendall
Director

Date: 28 December 2020

The notes on pages 18 to 37 form part of these financial statements.

The Boxford Group Ltd
Registered number:03469488

Company balance sheet
as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	15	9,727,680	9,727,680
		9,727,680	9,727,680
Total assets less current liabilities		9,727,680	9,727,680
Net assets		9,727,680	9,727,680
Capital and reserves			
Called up share capital	26	65,320	65,320
Share premium account	27	9,662,360	9,662,360
		9,727,680	9,727,680

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 December 2020.


S P Rendall
 Director

The notes on pages 18 to 37 form part of these financial statements.

The Boxford Group Ltd

Consolidated statement of changes in equity for the year ended 31 March 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent company £	Total equity £
At 1 April 2018	65,320	9,662,360	3,698,767	13,426,447	13,426,447
Profit for the year	-	-	846,669	846,669	846,669
Dividends: equity capital	-	-	(133,251)	(133,251)	(133,251)
At 1 April 2019	65,320	9,662,360	4,412,185	14,139,865	14,139,865
Profit for the year	-	-	1,134,617	1,134,617	1,134,617
Dividends: equity capital	-	-	(233,253)	(233,253)	(233,253)
At 31 March 2020	65,320	9,662,360	5,313,549	15,041,229	15,041,229

The notes on pages 18 to 37 form part of these financial statements.

The Boxford Group Ltd

Company statement of changes in equity for the year ended 31 March 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2018	65,320	9,662,360	-	9,727,680
Profit for the year	-	-	133,251	133,251
Dividends: equity capital	-	-	(133,251)	(133,251)
At 1 April 2019	65,320	9,662,360	-	9,727,680
Profit for the year	-	-	233,253	233,253
Dividends: equity capital	-	-	(233,253)	(233,253)
At 31 March 2020	65,320	9,662,360	-	9,727,680

The notes on pages 18 to 37 form part of these financial statements.

The Boxford Group Ltd

Consolidated statement of cash flows for the year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	1,134,617	846,669
Adjustments for:		
Depreciation of tangible assets	1,603,520	1,358,083
Profit on disposal of tangible assets	(46,000)	-
Interest paid	502,356	484,974
Taxation	(72,665)	(8,849)
(Increase) in stocks	(376,090)	(260,474)
Decrease/(increase) in debtors	470,253	(976,647)
Increase in creditors	358,197	554,952
Net cash generated from operating activities	3,574,188	1,998,708
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,154,314)	(4,046,199)
Disposal of tangible fixed assets	46,000	332,719
Net cash from investing activities	(2,108,314)	(3,713,480)
Cash flows from financing activities		
New secured loans	2,786,935	3,352,053
Repayment of loans	(3,851,996)	(1,225,808)
Other new loans	240,000	776,201
Repayment of other loans	(554,909)	(710,418)
Repayment of/new finance leases	(164,199)	120,691
Dividends paid	(233,253)	(133,251)
Dividends paid on preference shares classified as debt	(27,432)	(27,432)
Interest paid	(454,892)	(448,309)
Finance lease charges paid	(20,035)	(9,235)
Net cash used in financing activities	(2,279,781)	1,694,492

The Boxford Group Ltd

Consolidated statement of cash flows (continued) for the year ended 31 March 2020

	2020 £	2019 £
Net (decrease) in cash and cash equivalents	(813,907)	(20,280)
Cash and cash equivalents at beginning of year	(927,549)	(907,269)
Cash and cash equivalents at the end of year	(1,741,456)	(927,549)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	16,878	14,171
Bank overdrafts	(1,758,334)	(941,720)
	(1,741,456)	(927,549)

The notes on pages 18 to 37 form part of these financial statements.

The Boxford Group Ltd

Consolidated Analysis of Net Debt for the year ended 31 March 2020

	At 1 April 2019 £	Cash flows £	New finance leases £	At 31 March 2020 £
Cash at bank and in hand	14,171	2,707	-	16,878
Bank overdrafts	(941,720)	(816,614)	-	(1,758,334)
Debt due after 1 year	(13,726,017)	697,105	-	(13,028,912)
Debt due within 1 year	(1,836,517)	682,865	-	(1,153,652)
Finance leases	(594,277)	354,199	(190,000)	(430,078)
	<u>(17,084,360)</u>	<u>920,262</u>	<u>(190,000)</u>	<u>(16,354,098)</u>

The notes on pages 18 to 37 form part of these financial statements.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

1. General information

The Boxford Group Ltd is a private company, limited by shares and incorporated in England and Wales.

The company number and address of the registered office are given on the company information page. The nature of the company's operations and its principal activities are set out in the strategic review.

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 *Financial Reporting Standard 102*, the *Financial Reporting Standard* applicable in the UK and the Republic of Ireland and the *Companies Act 2006*.

The preparation of financial statements in compliance with *FRS 102* requires the use of certain critical accounting estimates. It also requires group management to exercise judgment in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the *Companies Act 2006* and has not presented its own statement of comprehensive income in these financial statements.

The financial statements are presented in pounds sterling and all values are rounded to the nearest pound (£) except where otherwise indicated.

The company has taken advantage of the exemption allowed under section 408 of the *Companies Act 2006* and has not presented its own statement of comprehensive income in these financial statements.

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

2. Accounting policies (continued)

2.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group 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 group is a member of and uses a Producer Organisation as an agent to sell its fruit. Revenue from fruit sales is recognised when the fruit is dispatched from either the premises of the group or Producer Organisation to customers. Under the Producer Organisation Member's Agreement the group continues to bear the majority of risks and rewards.

Revenue from electricity sales and related industry incentives are recognised as the electricity is generated and supplied.

Revenue from storage sales is recognised on an accruals basis over the periods for which the goods are stored.

Revenue from fruit grading and packaging fruit is recognised when the fruit is fully packaged and available for collection or dispatch. Revenue from transport services in respect of fruit which is not collected directly by customers is recognised upon delivery.

The group acts as marketing agent for selling fruit on behalf of the principal suppliers to their customers. Revenue from marketing commissions earned from acting as an agent is recognised upon completion of sales by the principals to their customers.

Revenue from the supply of hotel, conference and leisure facilities is recognised on an accruals basis over the periods the facilities are used. The revenue in respect of deposits is deferred until the related events have taken place. The revenue from memberships is recognised over the periods of the memberships on a straight line basis.

Revenue from restaurant, bar and shop sales is recognised at the point of sale.

Revenue from license fees is recognised over the period of the licences on a straight line basis.

2.5 Operating leases

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

2.6 Leased assets: the group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the group. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.7 Research and development

Costs incurred in respect of experimental techniques (such as in relation to growing, storage and grading) are recognised as expenses in the profit and loss account while there is uncertainty over whether they will provide any future economic benefits.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

2. Accounting policies (continued)

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the consolidated statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

2.9 Finance costs

Finance costs are charged to the consolidated statement of comprehensive income 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.

2.10 Borrowing costs

All borrowing costs are recognised in the consolidated statement of comprehensive income in the year in which they are incurred.

2.11 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, 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 and the group operate and generate 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.

2.13 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.

At each reporting date the group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

Freehold land and hotel buildings are not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. *Certain freehold buildings are depreciated over their useful economic lives which are determined on an individual basis.*

Depreciation is provided on the following basis:

Property improvements	- 10-20 years
Plant and machinery	- 4-20 years
Motor vehicles	- 3-5 years
Office equipment	- 3-5 years

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 the consolidated statement of comprehensive income.

The group has granted tenancies over certain parts of the estate to companies. In these circumstances, the directors do not consider these properties are held either solely or primarily for their investment potential and, consequently they have not been classified as investment property.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted shares whose fair value cannot be reliably determined are measured at cost less impairment.

2.15 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.

2.16 Biological assets

Biological assets are living plants controlled by the group from which it expects to derive future economic benefits. Biological assets are included in tangible fixed assets in respect of orchards, and stock in respect of soft fruit. Biological assets are measured at the the lower of cost less any accumulated depreciation and impairment loss.

2.17 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.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

2. Accounting policies (continued)

2.18 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.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

2.19 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.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the group 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 the consolidated statement of comprehensive income in the year that the group 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.

2.21 Financial instruments

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.22 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

2. Accounting policies (continued)

2.23 Provision for liabilities

Provisions at the period end are made where an event has taken place that gives the group 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 the profit and loss account in the year that the group 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.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The group makes certain estimates and judgments regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Depreciation is not charged on hotel freehold property because the directors are of the opinion that the depreciation charge and accumulated depreciation is immaterial as the expected residual value of the properties are not significantly different to the carrying value and the group maintains the property in a good state of repair.

Other freehold properties of the group are depreciated over their useful economic lives which are determined on an individual basis. The useful economic lives are impacted by expected usage of the asset and commercial obsolescence.

Deferred tax assets are recognised only to the extent that the directors consider that they can be reliably measured and it is probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Sale of goods		
Fruit	8,012,259	7,030,139
Electricity and related industry incentives	2,290,535	1,653,739
Restaurant, bar and shop	3,264,108	3,079,956
Fruit grading and packaging - goods	1,604,438	440,935
	<u>15,171,340</u>	<u>12,204,769</u>
Rendering of services		
Storage	426,376	500,892
Fruit grading, packaging and transport	3,259,915	3,751,188
Hotel, conference and leisure facilities	2,969,543	3,124,565
	<u>6,655,834</u>	<u>7,376,645</u>
Commissions		
Marketing commissions	92,054	66,493
Other significant types of income		
Licence fees	724,992	724,992
	<u>22,644,220</u>	<u>20,372,899</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2020 £	2019 £
Other operating income	31,085	24,765
Net rents receivable	273,362	276,525
Government grants receivable	146,001	119,157
	<u>450,448</u>	<u>420,447</u>

6. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Research & development charged as an expense	918,053	1,016,163

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

7. Auditors' remuneration

	2020 £	2019 £
Fees payable to the group's auditor for the audit of the group's annual financial statements	<u>18,400</u>	<u>17,000</u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £	Group 2019 £
Wages and salaries	8,357,043	8,203,490
Social security costs	602,753	607,554
Cost of defined contribution scheme	388,963	137,430
	<u>9,348,759</u>	<u>8,948,474</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Administrative and management staff	27	29
Direct staff	352	360
	<u>379</u>	<u>389</u>

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	76,461	84,720
Company contributions to defined contribution pension schemes	100,000	-
	<u>176,461</u>	<u>84,720</u>

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

10. Profit for the financial year

The company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The company's profit for the year as shown in its own financial statements was £233,253 (2019: £133,251).

11. Interest payable and similar expenses

	2020 £	2019 £
Bank interest	427,425	414,533
Other loan interest	54,897	61,201
Finance leases and hire purchase contracts	20,034	9,236
	<u>502,356</u>	<u>484,970</u>

12. Taxation

	2020 £	2019 £
Corporation Tax		
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	(72,665)	(8,849)
Total deferred tax	<u>(72,665)</u>	<u>(8,849)</u>
Taxation on profit on ordinary activities	<u>(72,665)</u>	<u>(8,849)</u>

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of Corporation Tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>1,061,952</u>	<u>837,820</u>
Profit on ordinary activities multiplied by standard rate of Corporation Tax in the UK of 19% (2019 - 19%)	201,771	159,186
Effects of:		
Expenses not deductible for tax purposes	-	12,132
Adjustments to tax charge in respect of prior periods	(90,470)	69,341
Depreciation on assets not qualifying for capital allowances	12,992	14,995
Non-taxable income	(22,528)	(22,640)
Research and development tax credit	(174,430)	(251,104)
Dividends receivable from group companies	-	(5,212)
Change in tax rate	-	14,453
Total tax charge for the year	<u>(72,665)</u>	<u>(8,849)</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

13. Dividends

	2020 £	2019 £
Equity dividends on ordinary shares	<u>233,253</u>	<u>133,251</u>
	<u>233,253</u>	<u>133,251</u>

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

14. Tangible fixed assets

Group

	Freehold property £	Property improvements £	Plant and machinery £	Office equipment £	Total £
Cost or valuation					
At 1 April 2019	17,355,413	739,453	26,974,725	236,035	45,305,626
Additions	121,690	-	2,032,624	-	2,154,314
Disposals	-	-	(82,000)	-	(82,000)
At 31 March 2020	<u>17,477,103</u>	<u>739,453</u>	<u>28,925,349</u>	<u>236,035</u>	<u>47,377,940</u>
Depreciation					
At 1 April 2019	252,774	669,580	12,223,009	236,035	13,381,398
Charge for the year	11,762	5,501	1,586,257	-	1,603,520
Disposals	-	-	(82,000)	-	(82,000)
At 31 March 2020	<u>264,536</u>	<u>675,081</u>	<u>13,727,266</u>	<u>236,035</u>	<u>14,902,918</u>
Net book value					
At 31 March 2020	<u>17,212,567</u>	<u>64,372</u>	<u>15,198,083</u>	<u>-</u>	<u>32,475,022</u>
At 31 March 2019	<u>17,102,639</u>	<u>69,873</u>	<u>14,751,716</u>	<u>-</u>	<u>31,924,228</u>

Included within the net book value is £744,438 (2019: 506,532) relating to assets held under finance leases.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

15. Fixed asset investments

Group

	Unlisted investments £
Cost or valuation	
At 1 April 2019	21,259
At 31 March 2020	<u>21,259</u>

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2019	9,727,680
At 31 March 2020	<u>9,727,680</u>

Direct subsidiary undertaking

The following was a direct subsidiary undertaking of the company:

Name	Principal activity	Class of shares	Holding
Boxford (Suffolk) Holdings Ltd	Management and administration	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2020 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name	Aggregate of share capital and reserves	Profit/(loss)
Boxford (Suffolk) Holdings Limited	6,610,033	7,415

The group has a one sixth share off the ordinary share capital of Plantsman PO Limited, a mutual society, registered under Co-operative and Community Benefit Societies Act 2014.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

15. Fixed asset investments (continued)

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Boxford (Suffolk) Farms Limited	Fruit growing and farming	Ordinary shares	100%
The Stoke by Nayland Club Ltd.	Provision of hotel, golf, conference and leisure facilities	Ordinary shares	100%
		Preference shares	50%
Peake Fruit Prepared Limited	Dormant	Ordinary Shares	100%
Peake Fruit Limited	Storage, packing and marketing of fruit	Ordinary Shares	100%

The address of the registered office of Boxford (Suffolk) Holdings Limited, Boxford (Suffolk) Farms Limited, The Stoke by Nayland Club Ltd. and Peake Fruit Prepared Limited is The Stoke by Nayland Club, Keepers Lane, Leavenheath, Colchester, Essex CO6 4PZ.

The address of the registered office of Peake Fruit Limited is Home Farm, Ardleigh, Colchester, Essex CO7 7NA.

	Aggregate of share capital and reserves £	Profit/(loss) for the year £
Boxford (Suffolk) Farms Limited	2,518,093	759,166
The Stoke by Nayland Club	3,874,634	(109,278)
Peake Fruit Prepared Limited	300,000	-
Peake Fruit Limited	3,647,728	477,306
	10,340,455	1,127,194

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

16. Stocks

	Group 2020 £	Group 2019 £
Raw materials and consumables	1,054,419	1,141,836
Work in progress	558,515	399,350
Finished goods and goods for resale	836,936	532,594
	<u>2,449,870</u>	<u>2,073,780</u>

17. Debtors

	Group 2020 £	Group 2019 £
Trade debtors	999,440	1,176,053
Other debtors	629,181	646,513
Prepayments and accrued income	670,695	947,000
Deferred taxation	28,015	-
	<u>2,327,331</u>	<u>2,769,566</u>

18. Cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash at bank and in hand	16,878	14,171
Less: bank overdrafts	(1,758,334)	(941,720)
	<u>(1,741,456)</u>	<u>(927,549)</u>

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

19. Creditors: amounts falling due within one year

	Group 2020 £	Group 2019 £
Bank overdrafts	1,758,334	941,720
Bank loans	735,261	1,350,882
Other loans	418,391	485,635
Trade creditors	1,325,723	1,683,383
Other taxation and social security	289,433	456,620
Obligations under finance leases	372,928	355,827
Other creditors	593,633	411,808
Accruals	834,832	687,240
	6,328,535	6,373,115

20. Creditors: amounts falling due after more than one year

	Group 2020 £	Group 2019 £
Bank loans	12,169,609	12,619,047
Other loans	287,803	535,470
Net obligations under finance leases	57,150	238,450
Other creditors	272,750	92,455
Share capital treated as debt	571,500	571,500
	13,358,812	14,056,922

Secured creditors

There is a group overdraft facility secured by way of a debenture dated 16 February 2000 and group unlimited multilateral guarantees dated 5 July 1999 and 25 September 2012.

The bank loans and overdrafts are secured by a floating charge and fixed charges on certain freehold properties owned within the group.

The other loans are from personal pension schemes of the directors and are secured by fixed charges over various assets of the group. They are repayable through quarterly instalments and attract fixed rates of interest of 6.5%.

The net obligations under finance leases are secured on the assets to which they relate.

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

21. Loans

Future commitments under loan agreements are as follows:

	Group 2020 £	Group 2019 £
Amounts falling due within one year		
Bank loans	735,261	1,350,882
Other loans	418,391	485,635
	<u>1,153,652</u>	<u>1,836,517</u>
Amounts falling due 1-2 years		
Bank loans	1,669,806	1,721,912
Other loans	197,385	360,331
	<u>1,867,191</u>	<u>2,082,243</u>
Amounts falling due 2-5 years		
Bank loans	3,728,603	3,669,929
Other loans	63,221	175,139
	<u>3,791,824</u>	<u>3,845,068</u>
Amounts falling due after more than 5 years		
Bank loans	6,771,200	7,227,206
Other loans	27,197	-
	<u>6,798,397</u>	<u>7,227,206</u>
	<u><u>13,611,064</u></u>	<u><u>14,991,034</u></u>

22. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2020 £	Group 2019 £
Within one year	372,928	355,827
Between 1-5 years	57,150	238,450
	<u>430,078</u>	<u>594,277</u>

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

23. Financial instruments

Financial assets that are equity instruments measured at cost less impairment:

Unlisted investments - Note 15

Financial assets that are debt instruments measured at amortised cost:

Trade debtors - Note 17

Other debtors - Note 17

Financial liabilities measured at amortised cost:

Bank loans - Notes 19 and 20

Other loans - Notes 19 and 20

Finance lease and hire purchase obligations - Note 22

Trade creditors - Note 19

Other creditors - Notes 19 and 20

24. Deferred taxation

Group

	2020 £	
At the beginning of the year	(44,651)	
Charged to the profit or loss account	72,665	
At the end of the year	28,014	
	Group 2020 £	Group 2019 £
Accelerated capital allowances	(1,035,975)	(819,259)
Tax losses carried forward	1,059,786	772,347
Other timing differences	4,204	2,261
	28,015	(44,651)

25. Deferred grants

	Group 2020 £	Group 2019 £
Grants	1,870,130	1,522,663
	1,870,130	1,522,663

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

26. Share capital

	2020 £	2019 £
Shares classified as equity		
Allotted, called up and fully paid		
58,788 (2019 - 58,788) Ordinary shares of £1.00 each	58,788	58,788
6,532 (2019 - 6,532) Ordinary A shares of £1.00 each	6,532	6,532
	<u>65,320</u>	<u>65,320</u>
	2020 £	2019 £
Shares classified as debt		
Allotted, called up and fully paid		
571,500 (2019 - 571,500) Preference shares of £1.00 each	<u>571,500</u>	<u>571,500</u>

Each ordinary share entitles its holder to one vote at general meetings. Each A ordinary share entitles its holder to three votes at general meetings. The two share classes rank pari passu in all other aspects.

The preference shares are redeemable at a date specified at the option of the company. No premium is payable on redemption.

27. Reserves

Share premium account

The share premium account represents the additional amount paid for issued shares in excess of the par value of those shares.

Profit and loss account

The profit and loss account represents the retained earnings of the company, less any distributions.

28. Capital commitments

At 31 March 2020 the Company did not have any capital commitments contracted for but not provided in these financial statements (2019: £850,000).

The Boxford Group Ltd

Notes to the financial statements for the year ended 31 March 2020

29. Related party transactions

At the year end the group owed a director £571,500 (2019: £571,500) in respect of the 4.8% cumulative redeemable preference shares classified as liabilities (note 20). During the year the group paid interest to the director of £27,432 (2019: £27,432) in respect of the shares.

At the year end the group owed directors' personal pension schemes totalling £706,194 (2019: £1,013,115). During the year the pension schemes charged the group rent of £21,728 (2019: £21,728) and interest of £54,897 (2019: £61,201).

At the year end the group owed 4 directors a total of £277,360 (2019: £96,947).

At the year end the group was owed £4,610 (2019: £5,952) by close family members of the directors.

During the year the group paid dividends to directors of £186,602 (2019: £106,602).

During the year the group paid dividends of £46,651 (2019: £26,651) to a 20% shareholder in The Boxford Group Ltd.

During the year the group procured goods and services of £15,746 (2019: £1,056) from companies in which one of the directors and their spouses together have significant influence.

During the year the group made purchases of £250 (2019: £11,784) from a company which one of the directors and their spouse control.

30. Controlling party

The Boxford Group Ltd is controlled by its directors, who are also shareholders.

31. Subsidiary companies financial statements not subject to audit

In accordance with the provisions of section 479a of the Companies Act 2006 the company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements.

In accordance with section 479a of the Companies Act 2006 the following subsidiary companies have taken advantage of the exemption from audit:

- Boxford (Suffolk) Holdings Limited
- Boxford (Suffolk) Farms Limited
- The Stoke by Nayland Club Ltd.
- Peake Fruit Limited

In order to take advantage of the exemptions available to subsidiary companies The Boxford Group Ltd. has guaranteed the liabilities of the subsidiary companies.