

# Crop Systems Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2019

# Crop Systems Limited

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## **Crop Systems Limited**

### **Company Information**

<b>Directors</b>	Mr R G Andrews Mr R A Cook
<b>Registered office</b>	The Works Whimpwell Green Happisburgh Norwich NR12 0AJ
<b>Accountants</b>	GLX Limited Chartered Accountants 69 - 75 Thorpe Road Norwich NR1 1UA

**Crop Systems Limited**  
**(Registration number: 03637934)**  
**Balance Sheet as at 31 December 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	588,157	590,442
<b>Current assets</b>			
Stocks	<u>5</u>	585,278	476,638
Debtors	<u>6</u>	350,558	581,712
Cash at bank and in hand		311,460	1,565
		1,247,296	1,059,915
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	(984,003)	(769,444)
<b>Net current assets</b>		263,293	290,471
<b>Total assets less current liabilities</b>		851,450	880,913
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	(205,600)	(233,874)
<b>Provisions for liabilities</b>		(17,388)	(16,262)
<b>Net assets</b>		628,462	630,777
<b>Capital and reserves</b>			
Called up share capital		110	110
Share premium reserve		2,617	2,617
Profit and loss account		625,735	628,050
Shareholders' funds		628,462	630,777

For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 31 July 2019 and signed on its behalf by:

Mr R G Andrews

Director

The notes on pages 3 to 8 form an integral part of these financial statements.  
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# **Crop Systems Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

The Works  
Whimpwell Green  
Happisburgh  
Norwich  
NR12 0AJ

These financial statements were authorised for issue by the Board on 31 July 2019.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

## **Crop Systems Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	2% straight line
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance
Computer equipment	33% straight line

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

## **Crop Systems Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

## Crop Systems Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 21 (2018 - 19).

#### 4 Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2019	468,987	170,474	183,235	46,194	868,890
Additions	13,000	13,250	12,033	-	38,283
Disposals	-	-	(16,425)	-	(16,425)
At 31 December 2019	481,987	183,724	178,843	46,194	890,748
<b>Depreciation</b>					
At 1 January 2019	781	116,230	115,474	45,230	277,715
Charge for the year	9,640	8,816	17,212	705	36,373
Eliminated on disposal	-	-	(11,497)	-	(11,497)
At 31 December 2019	10,421	125,046	121,189	45,935	302,591
<b>Carrying amount</b>					
At 31 December 2019	471,566	58,678	57,654	259	588,157
At 31 December 2018	468,206	53,511	67,761	964	590,442

Included within the net book value of land and buildings above is £471,566 (2018 - £468,206) in respect of freehold land and buildings.

#### 5 Stocks

	2019 £	2018 £
Raw materials and consumables	224,783	151,203
Work in progress	360,495	325,435





# Crop Systems Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

### 6 Debtors

	2019 £	2018 £
Trade debtors	337,286	530,319
Prepayments	13,272	47,241
Other debtors	-	4,152
	<u>350,558</u>	<u>581,712</u>

### 7 Creditors

#### Creditors: amounts falling due within one year

	Note	2019 £	2018 £
<b>Due within one year</b>			
Loans and borrowings	<u>8</u>	23,800	149,612
Trade creditors		809,389	507,746
Taxation and social security		148,814	102,264
Accruals and deferred income		2,000	2,000
Other creditors		-	7,822
		<u>984,003</u>	<u>769,444</u>

#### Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	<u>205,600</u>	<u>233,874</u>

# Crop Systems Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

### 8 Loans and borrowings

	2019 £	2018 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	201,002	213,311
Hire purchase contracts	4,598	20,563
	<u>205,600</u>	<u>233,874</u>

	2019 £	2018 £
<b>Current loans and borrowings</b>		
Bank borrowings	12,484	12,243
Bank overdrafts	-	126,712
Hire purchase contracts	11,316	10,657
	<u>23,800</u>	<u>149,612</u>

69 - 75 Thorpe Road

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