

COMPANY REGISTRATION NUMBER: 03705654

Flagleaf Farming Limited

Filleted Unaudited Financial Statements

for the year ended

31 December 2018

Flagleaf Farming Limited

Financial Statements

for the year ended 31st December 2018

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Flagleaf Farming Limited

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Flagleaf Farming Limited

for the year ended 31st December 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Flagleaf Farming Limited for the year ended 31st December 2018, as set out on pages 2 to 8 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 www.icaew.com/en/membership/regulations-standards-and-guidance. This report is made solely to the Board of Directors of Flagleaf Farming Limited, as a body, in accordance with the terms of our engagement letter dated 12th August 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Flagleaf Farming Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Flagleaf Farming Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Flagleaf Farming 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 profit of Flagleaf Farming Limited. You consider that Flagleaf Farming Limited is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of Flagleaf Farming 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.

MOORE THOMPSON Chartered Accountants

Bank House Broad Street Spalding PE11 1TB

Dated: 26 September 2019

Flagleaf Farming Limited
Statement of Financial Position

as at 31 December 2018

		2018		2017	
	Note	£	£	£	£
Fixed assets					
Tangible assets	6		984,577		817,801
Investments	7		1,250		1,250
			-----		-----
			985,827		819,051
Current assets					
Stocks		512,494		511,066	
Debtors	8	837,098		993,224	
Cash at bank and in hand		106,212		149,146	
		-----		-----	
		1,455,804		1,653,436	
Creditors: amounts falling due within one year	9	1,913,327		2,132,331	
		-----		-----	
Net current liabilities			457,523		478,895
			-----		-----
Total assets less current liabilities			528,304		340,156
Creditors: amounts falling due after more than one year	10		524,028		336,017
Provisions					
Taxation including deferred tax			958		821
			-----		-----
Net assets			3,318		3,318
			-----		-----
Capital and reserves					
Called up share capital	11		3,318		3,318
			-----		-----
Shareholders funds			3,318		3,318
			-----		-----

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered. For the year ending 31st December 2018 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Flagleaf Farming Limited

Statement of Financial Position *(continued)*

as at 31 December 2018

These financial statements were approved by the board of directors and authorised for issue on 25 September 2019 , and are signed on behalf of the board by:

S.W. Turley

Director

J.R. Ward

Director

C.R. Wheeldon

Director

F.H. Myers

Director

Company registration number: 03705654

Flagleaf Farming Limited

Notes to the Financial Statements

for the year ended 31st December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Bank House, Broad Street, Spalding, Lincolnshire, PE11 1TB. The place of business is Grange Farm, Mill Lane, Lincoln, LN2 3PB.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	10-25% on cost / 15-25% reducing balance
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Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Financial instruments

Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship (see hedge accounting policy). Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Staff costs

The average number of persons employed by the company during the year amounted to 12 (2017: 11).

5. Tax on profit

Major components of tax expense

	2018	2017
	£	£
Deferred tax:		
Origination and reversal of timing differences	137	364
	-----	-----
Tax on profit	137	364
	-----	-----

6. Tangible assets

	Plant and machinery £	Total £
Cost		
At 1 01 18	1,844,922	1,844,922
Additions	559,313	559,313
Disposals	(164,271)	(164,271)
	-----	-----
At 31 12 18	2,239,964	2,239,964
	-----	-----
Depreciation		
At 1 01 18	1,027,121	1,027,121
Charge for the year	307,417	307,417
Disposals	(79,151)	(79,151)
	-----	-----
At 31 12 18	1,255,387	1,255,387
	-----	-----
Carrying amount		
At 31 12 18	984,577	984,577
	-----	-----
At 31 12 17	817,801	817,801
	-----	-----

7. Investments

	Other investments other than loans £
Cost	
At 1 01 18 and 31 12 18	1,250

Impairment	
At 1 01 18 and 31 12 18	—

Carrying amount	
At 31 12 18	1,250

At 31 12 17	1,250

8. Debtors

	2018 £	2017 £
Trade debtors	781,685	900,400
Prepayments and accrued income	55,413	92,824
	-----	-----
	837,098	993,224
	-----	-----

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	433,847	476,891
Trade creditors	174,238	234,522
Other loans	1,103,705	1,175,652
Accruals and deferred income	20,920	84,463
Social security and other taxes	41,178	70,775
Obligations under finance leases and hire purchase contracts	139,439	90,028
	<u>1,913,327</u>	<u>2,132,331</u>

The bank overdraft included above is secured by a fixed and a floating charge over the company's undertakings. A personal guarantee has also been given by the directors. The hire purchase agreements included above and below are secured on the assets to which they relate. Included within other loans above and below are amounts secured by a fixed charge over some of the company's fixed assets.

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

	2018	2017
	£	£
Other loans	136,666	139,710
Obligations under finance leases and hire purchase contracts	387,362	196,307
	<u>524,028</u>	<u>336,017</u>

11. Called up share capital**Issued, called up and fully paid**

	2018		2017	
	No.	£	No.	£
Ordinary 'B' shares of £ 1 each	3,315	3,315.00	3,315	3,315.00
Ordinary 'A' shares of £ 1 each	3	3.00	3	3.00
	<u>3,318</u>	<u>3,318.00</u>	<u>3,318</u>	<u>3,318.00</u>

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.