

Flagleaf Farming Limited
Unaudited Financial Statements
for the Period 1 January 2022 to 31 March 2023

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for the Period 1 January 2022 to 31 March 2023**

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Directors: S W Turley
F H Myers
J R Ward
C R Wheeldon
C W A Cracroft-Eley

Secretary: S W Turley

Registered office: The Little Grange
Market Rasen Road
Dunholme
Lincoln
Lincolnshire
LN2 3RA

Business address: Grange Farm
Mill Lane
Welton
Lincoln
LN2 3PB

Registered number: 03705654 (England and Wales)

Accountants: Moore Thompson
Bank House
Broad Street
Spalding
Lincolnshire
PE11 1TB

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Flagleaf Farming Limited**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of financial position. Readers are cautioned that the Income statement and certain other primary statements and the Report of the directors are not required to be filed with the Registrar of Companies.

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 period ended 31 March 2023 which comprise the Statement of income and retained earnings, Statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://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 15 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 the Board of Directors of Flagleaf Farming Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. 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 period.

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
Bank House
Broad Street
Spalding
Lincolnshire
PE11 1TB

21 December 2023

Statement of Financial Position
31 March 2023

| | Notes | 2023 £ | £ | 2021 £ | £ |
|--|-------|------------------|----------------|------------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 5 | | 472,827 | | - |
| Investments | 6 | | - | | 1,250 |
| | | | <u>472,827</u> | | <u>1,250</u> |
| Current assets | | | | | |
| Stocks | | 304,824 | | 307,125 | |
| Debtors | 7 | 2,539,533 | | 2,350,837 | |
| Cash at bank and in hand | | <u>198,490</u> | | <u>89,597</u> | |
| | | 3,042,847 | | 2,747,559 | |
| Creditors | | | | | |
| Amounts falling due within one year | 8 | <u>3,260,860</u> | | <u>2,444,989</u> | |
| Net current (liabilities)/assets | | | (218,013) | | 302,570 |
| Total assets less current liabilities | | | <u>254,814</u> | | <u>303,820</u> |
| Creditors | | | | | |
| Amounts falling due after more than one year | 9 | | <u>59,230</u> | | <u>300,502</u> |
| Net assets | | | <u>195,584</u> | | <u>3,318</u> |
| Capital and reserves | | | | | |
| Called up share capital | 10 | | 3,318 | | 3,318 |
| Retained earnings | | | <u>192,266</u> | | - |
| Shareholders' funds | | | <u>195,584</u> | | <u>3,318</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Statement of Financial Position - continued
31 March 2023

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of income and retained earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 21 December 2023 and were signed on its behalf by:

S W Turley - Director

**Notes to the Financial Statements
for the Period 1 January 2022 to 31 March 2023**

1. Statutory information

Flagleaf Farming Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Statement of compliance

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

3. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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.

Tangible fixed assets

All fixed assets are initially recorded at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|---------------------|--|
| Plant and machinery | - 10-25% on cost / 15-25% reducing balance |
|---------------------|--|

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023

3. Accounting policies - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

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

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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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.

Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023

3. Accounting policies - continued

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.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

4. Employees and directors

The average number of employees during the period was 5 (2021 - 12) .

5. Tangible fixed assets

| | Plant and machinery £ |
|-----------------------|-----------------------------|
| Cost | |
| Additions | 513,191 |
| At 31 March 2023 | <u>513,191</u> |
| Depreciation | |
| Charge for period | 40,364 |
| At 31 March 2023 | <u>40,364</u> |
| Net book value | |
| At 31 March 2023 | <u>472,827</u> |

Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023

6. Fixed asset investments

| | Other investments £ |
|-----------------------|------------------------|
| Cost | |
| At 1 January 2022 | 1,250 |
| Disposals | (1,250) |
| At 31 March 2023 | - |
| Net book value | |
| At 31 March 2023 | - |
| At 31 December 2021 | 1,250 |

7. Debtors: amounts falling due within one year

| | 2023 £ | 2021 £ |
|--------------------------------|------------------|------------------|
| Trade debtors | 1,359,448 | 1,753,246 |
| Other debtors | 6,058 | - |
| VAT | 114,297 | - |
| Deferred tax asset | 38,380 | - |
| Prepayments and accrued income | 1,021,350 | 597,591 |
| | <u>2,539,533</u> | <u>2,350,837</u> |

8. Creditors: amounts falling due within one year

| | 2023 £ | 2021 £ |
|--------------------------|------------------|------------------|
| Hire purchase contracts | 14,797 | 62,324 |
| Trade creditors | 1,419,363 | 1,266,126 |
| Other loans | 1,512,719 | 1,004,593 |
| Tax | - | 4,123 |
| VAT | - | 5,527 |
| Directors' loan accounts | 50,000 | - |
| Accruals | 263,981 | 102,296 |
| | <u>3,260,860</u> | <u>2,444,989</u> |

The hire purchase agreements included above and below are secured on the assets to which they relate.

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

| | 2023 £ | 2021 £ |
|-------------------------|---------------|----------------|
| Hire purchase contracts | <u>59,230</u> | <u>300,502</u> |

Notes to the Financial Statements - continued
for the Period 1 January 2022 to 31 March 2023

10. **Called up share capital**

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2023 £ | 2021 £ |
|---------|-------------------|-------------------|--------------|--------------|
| 3 | Ordinary A shares | £1 | 3 | 3 |
| 3,315 | Ordinary B shares | £1 | <u>3,315</u> | <u>3,315</u> |
| | | | <u>3,318</u> | <u>3,318</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.