

# REGISTRAR OF COMPANIES

Registration number: 04634081

**A E Banks and Son Limited**  
**Unaudited Financial Statements**  
**31 January 2023**



# **A E Banks and Son Limited**

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**Chartered Accountants' Report to the Board of Directors on the Preparation of the  
Unaudited Statutory Accounts of  
A E Banks and Son Limited  
for the Year Ended 31 January 2023**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of A E Banks and Son Limited for the year ended 31 January 2023 as set out on pages 2 to 13 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 <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of A E Banks and Son Limited, as a body, in accordance with the terms of our engagement letter dated 22 March 2023. Our work has been undertaken solely to prepare for your approval the accounts of A E Banks and Son Limited and state those matters that we have agreed to state to the Board of Directors of A E Banks and Son Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A E Banks and Son Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A E Banks and Son Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of A E Banks and Son Limited. You consider that A E Banks and Son 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 accounts of A E Banks and Son 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 accounts.

**Dodd & Co Limited**

Chartered Accountants  
FIFTEEN Rosehill  
Montgomery Way  
Rosehill Estate  
CARLISLE  
CA1 2RW

24 August 2023

# A E Banks and Son Limited

(Registration number: 04634081)  
Balance Sheet as at 31 January 2023

	Note	2023 £	(As restated) 2022 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	2,729,128	2,665,111
Other financial assets	<u>5</u>	15,491	-
		<u>2,744,619</u>	<u>2,665,111</u>
<b>Current assets</b>			
Stocks		1,731,935	2,004,679
Debtors	<u>6</u>	1,555,403	205,595
Cash at bank and in hand		<u>1,008,833</u>	-
		4,296,171	2,210,274
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(3,318,751)</u>	<u>(2,257,547)</u>
<b>Net current assets/(liabilities)</b>		<u>977,420</u>	<u>(47,273)</u>
<b>Total assets less current liabilities</b>		3,722,039	2,617,838
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(2,146,626)</u>	<u>(2,313,625)</u>
<b>Provisions for liabilities</b>		<u>(223,627)</u>	<u>(69,877)</u>
<b>Net assets</b>		<u>1,351,786</u>	<u>234,336</u>
<b>Capital and reserves</b>			
Allotted, called up and fully paid share capital		1,000	1,000
Profit and loss account		<u>1,350,786</u>	<u>233,336</u>
<b>Total equity</b>		<u>1,351,786</u>	<u>234,336</u>

## **A E Banks and Son Limited**

**(Registration number: 04634081)**

### **Balance Sheet as at 31 January 2023 (continued)**

For the financial year ending 31 January 2023 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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 24 August 2023 and signed on its behalf by:

.....

J P Banks

Company secretary and director

.....

A R Banks

Director

.....

S A Banks

Director

## **A E Banks and Son Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023**

#### **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:

Wildon Grange  
Kilburn Road  
Coxwold  
YORK  
YO61 4AF

#### **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.

## A E Banks and Son Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023 (continued)

#### Prior period errors

The prior period financial statements have been restated to introduce bank borrowings that were legally novated from a related partnership to A E Banks and Son Limited at 31 January 2022, and to remove the inclusion of other financial assets which we included as company assets in error.

	Relating to the current period disclosed in these financial statements £	Relating to the prior period disclosed in these financial statements £	Relating to periods before the prior period disclosed in these financial statements £
Other financial assets	-	176,394	-
Bank borrowings (<1 year)	-	62,915	-
Other borrowings (<1 year)	-	(1,019,509)	-
Other creditors (<1 year)	-	(339,836)	-
Bank borrowings (>1 year)	-	1,150,420	-
Provisions for liabilities	-	(9,202)	-
Interest payable and similar charges	-	(30,384)	-
Taxation	-	9,202	-

#### 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 such as the basic payment scheme are included in the profit and loss account when all the necessary conditions for receipt have been met.

Grants relating to revenue are recognised in the profit and loss account on a systematic basis over the periods in which the related costs are recognised for which the grant is intended to compensate.

Grants for the purpose of giving immediate financial support with no future related costs to be incurred are recognised in the profit and loss account when the grant proceeds become receivable.

#### Other grants

Other grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets on a basis consistent with the depreciation policy.

## **A E Banks and Son Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023 (continued)**

#### **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.

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	10% reducing balance and 5% straight line basis
Plant and equipment	15% reducing balance and 3 year straight line basis
Motor vehicles	25% reducing balance basis
Tractors	15% reducing balance basis

Included in land and buildings is short leasehold property which relates to tenants improvements on land leased by the company from the directors. As the long term intention is for the farming operation to continue, it is deemed a true and fair view to depreciate the assets at 5% straight line and 10% reducing balance basis over their useful economic life.

#### **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.



## **A E Banks and Son Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023 (continued)**

#### **Trade debtors**

Trade debtors are amounts due from customers for the sale of goods 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**

Trading stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. The cost of livestock represents the purchase cost plus any additional costs of rearing the animal. Net realisable value is based on selling price less anticipated selling costs. Crop stock is valued at fair value less any anticipated costs to sell.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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 where due after more than one year.

#### **Leases**

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.

Preference shares are classified as debt when the shares are redeemable in the future at the option of the holder.

## **A E Banks and Son Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023 (continued)**

#### **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.

#### **Financial instruments**

##### ***Classification***

Equity shares and debt securities

##### ***Recognition and measurement***

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method.

Dividends on equity securities are recognised in income when receivable.

##### ***Impairment***

For instruments measured at cost less impairment the impairment is the difference between the assets' carrying amount and the best estimate the entity would receive for the asset if it were sold at the reporting date.

#### **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.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 15 (2022 - 11).

# A E Banks and Son Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023 (continued)

### 4 Tangible assets

	Land and buildings £	Plant and equipment £	Motor vehicles £	Tractors £	Total £
<b>Cost or valuation</b>					
At 1 February 2022	1,181,064	2,011,001	72,650	372,557	3,637,272
Additions	25,043	291,154	-	101,500	417,697
Disposals	-	(26,900)	-	-	(26,900)
At 31 January 2023	1,206,107	2,275,255	72,650	474,057	4,028,069
<b>Depreciation</b>					
At 1 February 2022	195,730	621,134	23,895	131,402	972,161
Charge for the year	59,749	226,891	12,190	40,550	339,380
Eliminated on disposal	-	(12,600)	-	-	(12,600)
At 31 January 2023	255,479	835,425	36,085	171,952	1,298,941
<b>Carrying amount</b>					
At 31 January 2023	950,628	1,439,830	36,565	302,105	2,729,128
At 31 January 2022	985,334	1,389,867	48,755	241,155	2,665,111

# A E Banks and Son Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023 (continued)

### 5 Other financial assets (current and non-current)

	2023 £	2022 £
<b>Non-current financial assets</b>		
Financial assets at cost less impairment	15,491	-
	<b>Financial assets at cost less impairment £</b>	<b>Total £</b>
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
Additions	15,491	15,491
At 31 January 2023	15,491	15,491
<b>Carrying amount</b>		
At 31 January 2023	15,491	15,491

### 6 Debtors

	2023 £	(As restated) 2022 £
Trade debtors	237,287	159,907
Other debtors	1,318,116	45,688
	1,555,403	205,595

# A E Banks and Son Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023 (continued)

### 7 Creditors

	Note	2023 £	(As restated) 2022 £
<b>Due within one year</b>			
Loans and borrowings	<u>8</u>	2,829,162	1,450,024
Trade creditors		215,199	219,537
Taxation and social security		2,201	1,944
Corporation tax liability		215,454	-
Other creditors		56,735	586,042
		<u>3,318,751</u>	<u>2,257,547</u>
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	2,145,384	2,312,164
Other creditors		1,242	1,461
		<u>2,146,626</u>	<u>2,313,625</u>
		<b>2023 £</b>	<b>2022 £</b>
After more than five years by instalments		<u>1,610,527</u>	<u>1,709,283</u>
		<u>1,610,527</u>	<u>1,709,283</u>

### 8 Loans and borrowings

	2023 £	(As restated) 2022 £
<b>Current loans and borrowings</b>		
Bank borrowings	129,162	143,742
Bank overdrafts	-	128,416
Finance lease liabilities	-	21,820
Redeemable preference shares	2,700,000	-
Other borrowings	-	1,156,046
	<u>2,829,162</u>	<u>1,450,024</u>

## A E Banks and Son Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023 (continued)

Current loans and borrowings includes the following liabilities, on which security has been given by the company:

	2023	(As restated) 2022
	£	£
Bank borrowings	129,162	143,742
Bank overdrafts	-	128,416
Finance lease liabilities	-	21,820
	<u>129,162</u>	<u>293,978</u>

Bank borrowings are secured by fixed and floating charges over the company's assets.

Bank overdrafts are secured by fixed and floating charges over the company's assets.

Finance lease liabilities are secured on the assets to which they relate.

	2023	(As restated) 2022
	£	£
<b>Non-current loans and borrowings</b>		
Bank borrowings	2,145,384	2,268,671
Finance lease liabilities	-	43,493
	<u>2,145,384</u>	<u>2,312,164</u>

Non-current loans and borrowings includes the following liabilities, on which security has been given by the company:

	2023	(As restated) 2022
	£	£
Bank borrowings	2,145,384	2,268,671
Finance lease liabilities	-	43,493
	<u>2,145,384</u>	<u>2,312,164</u>

Bank borrowings are secured by fixed and floating charges over the company's assets.

Finance lease liabilities are secured on the assets to which they relate.

**Notes to the Unaudited Financial Statements for the Year Ended 31 January 2023**  
**(continued)**

### Transactions with directors

Directors' advances are repayable on demand.  
Interest has been charged on advances to directors at a rate of 2%.

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.