

Beeswax Dyson Farming Limited

Annual report and financial statements for the year ended 31 December 2019

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Beeswax Dyson Farming Limited

Annual report and financial statements for the year ended 31 December 2019

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Beeswax Dyson Farming Ltd

Strategic report for the year ended 31 December 2019

Business review

The results for Beeswax Dyson Farming Limited ("the Company") show sales of £28.3m (2018: £21.9m) and a pre-tax profit of £3.4m (2018: £2.6m) for the year. At the year end the company had net assets of £547m (2018: £527m).

Farming continues to be the Company's principal business activity, and its exposure to the extreme weather conditions during the year has reduced potential income and added cost. Cropping is being developed to include higher value crops, such as potatoes, while the Company continues to invest in infrastructure to help create a leading agricultural business. Energy sales are a valuable source of diversification and turnover from this source has increased compared to 2018. Development of property also generates rental income from both residential and commercial sources. Investment in technology continues as the Company transitions to a carbon neutral operating model.

The Company's principal operational risks and uncertainties, which are partly mitigated by diversification of activities, relate to:

- exposure to global macroeconomic conditions;
- security of customer and supply chain;
- reputation and
- reliance on key personnel.

Notwithstanding the above risks and uncertainties, the Directors expect the Company to continue to improve performance whilst continuing long term investment in the land.

Financial risk management

Market price risk

The Company's principal financial risk relates to the value of the crops it produces. The Company manages this risk by forward selling and entering into fixed price contracts with key customers for current and future harvests as well as reviewing the range of crops grown.

On the 31st January 2020 the UK left the European Union. Agriculture, either through support mechanisms or trading environments, is significantly affected. The Company has reviewed its business structure and enterprise mix, carrying out risk management-based modelling.

Cash flow risk

The Company is exposed to fluctuating exchange rates currently: directly through receipt of EU support payments or indirectly via market price. The Company maintains a hedged position, not seeking to expose its activities to direct currency risk exposure.

Liquidity risk

The Company has access to sufficient liquidity to allow it to conduct its business effectively. The Company has a revolving credit facility with a third party for drawdown on demand in the sum of £15m that expires in 2024. The facility has not been utilised to date.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Company aims to minimise such losses by only extending credit terms to customers who demonstrate an appropriate payment history and satisfy credit worthiness assessments. The Company is conscious of, and monitors, the dynamic of the food sector, recognising an increased risk from supply chain consolidation.

By order of the Board on
Richard Williamson
Director

30th March 2020



Beeswax Dyson Farming Ltd

Directors' report for the year ended 31 December 2019

The directors present their annual report together with the audited financial statements of Beeswax Dyson Farming Limited for the year ended 31 December 2019.

Principal activities

The Company's principal activities are farming, the holding of investment property and generation of renewable energy. The directors expect this to continue in the future.

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

Sir James Dyson (resigned 8th May 2019)
Sir James Bucknall
R Williamson
N Worboys
P Wynn
E Fursdon
C Tucker (resigned 2nd August 2019)
B Wiseman

Post balance sheet events

On 20th January 2020 an additional 1,773 shares were issued with a cash price value of £3,384.095 per share.

Directors' indemnities

During the year and up to the date of approval of the directors' report, the parent company, Weybourne Group Limited had in place qualifying third-party indemnity provisions available for the benefit of directors of the Company.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company 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 enable them to ensure that the financial statements comply with the

Beeswax Dyson Farming Ltd

Directors' report for the year ended 31 December 2019 (continued)

Statement of directors' responsibilities (continued)

Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Ernst & Young LLP resigned as auditors on 5th November 2019 and James Cowper Kreston were appointed as auditors of the Company on 14th November 2019.

By order of the Board



R Williamson

Director

30th March 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEESWAX DYSON FARMING LIMITED

Opinion

We have audited the financial statements of Beeswax Dyson Farming Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company 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 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 Auditor's 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.

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement on page , 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 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 Company or to cease operations, or have no realistic alternative but to do so.

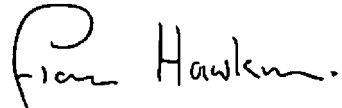
Auditor's responsibilities for the audit of the financial statements

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 Auditor's 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 Auditor's Report.

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 Auditor's 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.



Fiona Hawkins BSc (Hons) MSc FCA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

2 | April 2020

Beeswax Dyson Farming Limited

Statement of Comprehensive Income

For the year to 31 December 2019

		2019	2018
	Note	£000	£000
Turnover	2	28,336	21,923
Cost of sales		(10,926)	(6,414)
Gross profit		17,410	15,509
Other operating income	3	3,399	3,339
Gain on revaluation of investment properties	10	2,536	1,700
Loss on derivatives		(49)	(30)
Administrative expenses		(19,884)	(17,843)
Operating profit	4	3,412	2,675
Interest payable and similar charges	7	(56)	(70)
Profit on ordinary activities before taxation		3,356	2,605
Tax on profit on ordinary activities	8	446	(846)
Profit for the financial year		3,802	1,759
Total comprehensive income		3,802	1,759

All of the Company's operations are continuing.

The notes and accounting policies on pages 10 to 27 form an integral part of these financial statements.

Beeswax Dyson Farming Limited

Statement of financial position

At 31 December		2019	2019	2018	2018
	Note	£000	£000	£000	£000
Fixed assets					
Intangible assets	9	269		308	
Property, plant and equipment	10	531,449		515,262	
Investments	11	155		155	
			531,873		515,725
Current assets					
Inventory	12	16,027		14,759	
Biological assets	13	4,476		5,345	
Receivables	14	8,098		9,285	
Cash and cash equivalents		45		4	
			28,646		29,393
Payables: amounts falling due within one year	15		(10,696)		(15,979)
Net current assets			17,950		13,414
Total assets less current liabilities			549,823		529,139
Provisions for liabilities	16		(2,817)		(1,935)
Net assets			547,006		527,204
Capital and reserves					
Called up share capital	17		207		202
Share premium account			554,234		538,239
Profit and loss account			(7,435)		(11,237)
Total shareholder's funds			547,006		527,204

The notes and accounting policies on pages 10 to 27 form an integral part of these financial statements.

The financial statements on pages 7 to 27 were approved by the board of directors and were signed on its behalf on 30th March, 2020 by:



R Williamson
Director

Beeswax Dyson Farming Limited**Statement of changes in equity**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total £000
At 1 January 2018	183	474,258	(12,991)	461,450
Issue of share capital	19	63,981	-	64,000
IFRS 16 adjustment			(5)	(5)
Profit for the financial year	-	-	1,759	1,759
As restated at 31 December 2018	202	538,239	(11,237)	527,204
Issue of share capital	5	15,995	-	16,000
Profit for the financial year			3,802	3,802
At 31 December 2019	207	554,234	(7,435)	547,006

The notes and accounting policies on pages 10 to 27 form an integral part of these financial statements.

Beeswax Dyson Farming Limited

Notes to the financial statements

1. Accounting policies

Statement of compliance

Beeswax Dyson Farming Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is The Estate Office, Cyclone Way, Nocton, Lincolnshire, LN4 2GR

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 101, "Reduced Disclosure Framework", "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 101").

The Company transitioned from United Kingdom Accounting Standards FRS 102 ("FRS 102") to FRS 101 for all periods presented. Transition reconciliations showing all adjustments are disclosed in Note 23.

Basis of preparation

The financial statements of the Company have been prepared on the going concern basis, under the historical cost convention (with the exception of investment properties, agricultural produce and livestock and derivative financial assets financial liabilities measured at fair value through profit and loss), and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The presentation currency is pound sterling, which is also the functional currency of the Company, and rounded to the nearest thousand.

Qualifying entity disclosure exemptions

The Company meets the definition of a qualifying entity under FRS 101 and has therefore taken advantage of the following disclosure exemptions available to it. Exemptions have been taken in relation to presentation of a cash flow statement, intra-group transactions, financial instruments, and remuneration of key management personnel.

- IFRS 7, 'Financial instruments: Disclosures'.
- the requirements of IAS 7 *Statement of Cash Flows* to prepare a cash flow statement and related notes;
- the requirements of paragraph IAS 24 *Related Party Disclosure* to disclose compensation for key management personnel;
- the requirements of IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of the group;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 *Revenue from Contracts with Customers*
- the requirements of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* to disclose new or revised standards that have not been adopted (and information about their likely impact)
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 'Presentation of Financial Statements';
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement

Beeswax Dyson Farming Limited

Notes to the financial statements (continued)

1. Accounting policies (continued)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the year-end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means the actual outcomes could differ from those estimates.

The following judgements and estimates have had the most significant effect on amounts in the financial statements:

Revaluation of investment properties

The Company carries its investment property at fair value with changes in fair value recognised in the income statement. The Company used professionally qualified valuation specialists to determine fair value at 31 December 2018 and 2019. The valuation specialists used valuation techniques conforming with the Royal Institute of Chartered Surveyors ('RICS') Valuation – professional standards.

Agricultural produce at the point of harvest

Agricultural produce is accounted for using a fair value model less costs to sell at the point of harvest. This amount then represents cost for the purposes of accounting for inventory. Fair value is determined as the amount for which the produce could be exchanged between knowledgeable, willing parties in an arm's length transaction. Fair value is calculated with reference to market prices prevailing as at the year end.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next year on which growth assumptions have been applied. For the anaerobic digestion plants, the recoverable amount is most sensitive to the operating efficiency as well as average daily electricity production.

Turnover

Turnover represents amounts receivable for farmed produce, energy generated and for the rental of land and investment property, net of VAT and trade discounts. Revenue is recognised at the point when the risks and rewards of ownership transfer to the customer. For the sale of goods, this is when the goods are despatched to the customer.

Foreign currencies

Trading items in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at mid-market rates of exchange ruling at the year-end date. Exchange differences arising on transactions are taken to the income statement.

Basic Payment Scheme entitlement income

Income from the Basic Payment Scheme entitlements is conditional upon agri-environmental compliance. This is recognised over the calendar year to which it relates, but only if the specific compliance conditions for that calendar year have been met.

Beeswax Dyson Farming Limited

Notes to the financial statements (continued)

1. Accounting policies (continued)

Finance costs

Arrangement amounts payable for entering into new facilities are capitalised then charged to the income statement over the life of the facility. Annual administration fees and other finance costs are charged to the income statement as incurred.

Intangible fixed assets – Basic Payment Scheme entitlements

Intangible assets consisting of Basic Payment Scheme entitlements are stated at cost less accumulated amortisation. These are amortised over the anticipated economic life of 8 years.

Investment properties

Investment properties are initially recognised at purchase cost including any directly attributable acquisition expenditure and subsequently revalued at the year-end date to fair value as determined by professionally qualified valuation experts on the basis of market value. Valuations conform to the Royal Institute of Chartered Surveyors ('RICS') Valuation – professional standards.

Property, plant and equipment

Property, plant and equipment is stated at historical purchase cost less accumulated depreciation. Historical cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Property, plant and equipment are reviewed for impairment if there are indications that the asset is impaired.

Depreciation is provided on property, plant and equipment at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis, over its useful economic life. The useful economic lives are as follows:

Freehold land	nil
Freehold property	50 years
Field drainage	30 years
Anaerobic digestion unit & improvements ("AD plant")	20 years
Plant, machinery & equipment	3-10 years
Motor vehicles	3 years

The useful economic lives of assets are reviewed at the end of each reporting period and where necessary, revised. The net book value is then written off over the remaining useful economic life. Assets in the course of construction are not depreciated until they are ready for use. No depreciation is provided against freehold land.

Derivative financial instruments

Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through the income statement. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The Company uses foreign exchange contracts to hedge against the receipt of the Basic Payment which is received in Euros. The contracts are initially measured at fair value on the date on which the contract is entered into and subsequently measured at fair value through the income statement. The contracts are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Movements in fair value are recognised in the income statement.

Beeswax Dyson Farming Limited

Notes to the financial statements (continued)

1. Accounting policies (continued)

Inventory (except for agricultural produce)

Inventory is stated at the lower of estimated cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stages of production. Net realisable value is based on estimated selling price less all estimated further costs to completion and all relevant marketing, selling and distribution costs.

Agricultural produce at the point of harvest

Agricultural produce is accounted for using a fair value model less costs to sell at the point of harvest. This amount then represents cost for the purposes of accounting for inventory. Fair value is determined as the amount for which the produce could be exchanged between knowledgeable, willing parties in an arm's length transaction. Movements in fair value are charged/(credited) to cost of sales.

Biological assets

Biological assets comprise growing crops and livestock. Growing crops in the early stages of life where little or no biological transformation has taken place are measured at the lower of cost and estimated selling price less costs to complete and sell. Growing crops at later stages in their lifecycle are measured at fair value less costs to sell. Livestock is measured at fair value less costs to sell.

Provisions

A provision is recognised in the financial statements when an obligation exists at the year-end date, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the obligation can be made.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the year-end date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the year-end date. Unless disclosed separately, the deferred tax asset will crystallise after more than one year.

A deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and/or from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the year-end date. Deferred tax is measured on a non-discounted basis.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise amounts deposited with/borrowed from Weybourne Finance Limited with an original maturity date of three months or less.

Receivables and payables

Receivables and payables with no stated interest rate and receivable or payable within one year are recorded at the transaction price. Any losses arising from impairment are recognised in the income statement in administrative costs.

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****2. Turnover**

Turnover represents amounts derived from the provision of produce, for energy generated and for the rental of land and investment property which fall within the Company's ordinary activities, after deduction of trade discounts and value added tax. An analysis of turnover, which solely arises in the United Kingdom, is as follows:

	2019	2018
	£000	£000
Sale of produce	19,722	14,057
Energy supply	6,786	6,392
Rental of land and investment property	1,828	1,474
	28,336	21,923

3. Other operating income

	2019	2018
	£000	£000
Other operating income	3,399	3,339

4. Operating profit

	2019	2018
	£000	£000
The operating profit / (loss) is stated after charging/(crediting):		
Depreciation of property, plant and equipment (see note 10)	5,058	4,040
Amortisation of intangible assets (see note 9)	39	94
Loss/(gain) on disposal of tangible fixed assets	113	4
Operating lease – plant and machinery	-	-
Operating lease – other	-	-
Fees payable to the Company auditors for the audit of the Company – Ernest & Young (£7k)/James Cowper Kreston (£25k)	32	29
Loss/(gain) on foreign exchange	49	31

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****5. Directors' remuneration**

The majority of the directors' remuneration is borne by entities under common control. The company paid a recharge of £94,576 (2018: £88,764) for director services to a related party. This is included in the emoluments below.

	2019	2018
	£000	£000
Aggregate emoluments	503	474
Company contributions paid to defined contribution pension schemes	7	7
	510	481

The directors' remuneration disclosed above includes the following amounts for the highest paid director:

Highest paid director

	2019	2018
	£000	£000
Aggregate emoluments	376	353
Company contributions paid to defined contribution pension schemes	7	7
	383	360

There were no directors to whom retirement benefits are accruing under money purchase schemes

6. Staff costs

	2019	2018
	£000	£000
Wages and salaries	5,092	4,271
Social security costs	545	419
Other pension costs	110	126
	5,747	4,816

The Company operates a defined contribution pension scheme. The assets are held and managed independently of the finances of the entity. At the year end, £34,684 (2018: £23,161) was included within payables as amounts payable to the scheme.

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****6. Staff costs (continued)**

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

	2019 Number	2018 Number
Farming	97	84
Property	10	12
AD plants	6	5
Other	22	14
	135	115

7. Interest payable and similar charges

	2019 £000	2018 £000
Interest payable to Group undertakings	56	70
	56	70

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****8. Tax on profit on ordinary activities**

	2019	2018
	£000	£000
Current tax:		
- UK corporation tax on profit/(loss) for the year	(164)	106
- Adjustments in respect of previous years	(1,164)	125
Total current tax	(1,328)	231
Deferred tax:		
- Origination and reversals of timing differences	886	609
- Adjustments in respect of previous years	89	70
- Adjustment in respect of changes in tax rates	(93)	(64)
Total deferred tax	882	615
Tax charge/(credit) on profit for the year	(446)	846

The tax assessed for the year is lower than (2018: higher than) the standard rate of corporation tax in the UK of 19.00% (2018: 19.25%). The differences are explained below:

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****8. Tax on loss on ordinary activities (continued)**

	2019	2018
	£000	£000
Profit on ordinary activities before tax	3,364	2,605
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.00% (2018: 19.25%)	639	495
Effects of:		
Expenses not deductible for tax purposes	83	290
Change of tax rates	(93)	(64)
Adjustments in respect of previous years	(1,075)	125
Tax charge/(credit) on profit for the year	(446)	846

A reduction in the United Kingdom's corporation tax rate from 20% to 19% with effect from 1 April 2018 was substantively enacted on 26 October 2015. This reduction is not anticipated to have a material effect on the tax charge.

Factors that may affect future tax charges

The Finance Act 2016 enacted a reduction in the main rate of corporation tax from 19% to 17% from 1 April 2020. As this change of rate was enacted at the balance sheet date then deferred tax balances have been stated at a rate of 17%. On 17 March 2020 the Government announced their intention to cancel this reduction in the corporation tax rate. As a result the deferred tax timing differences are expected to reverse at 19%.

The deferred tax included in the statement of financial position is as follows:

Net deferred tax comprises:	2019
	£000
Accelerated capital allowances	(1,628)
Other temporary timing differences	(1,189)
Net deferred tax (liability) / asset	(2,817)
	2019
	£000
At 1 January	(1,935)
Deferred tax charged to the income statement	(882)
At 31 December	(2,817)

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****9. Intangible assets**

	Basic Payment Scheme entitlements
	£000
Cost	
At 1 January 2019	2,637
Additions	-
At 31 December 2019	2,637
Accumulated amortisation	
At 1 January 2019	2,329
Charge for year	39
At 31 December 2019	2,368
Net book value	
At 31 December 2019	269
At 31 December 2018	308

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****10. Property, plant and equipment**

	Freehold land and property £000	AD Plant £000	Plant, machinery and equipment £000	Right of Use Assets £000	Total £000
Cost or valuation					
At 1 January 2019	489,083	22,015	20,331		531,990
IFRS 16 adjustment				561	
At 1 January 2019 (as restated)				561	
Additions	12,473	2,561	3,745	809	19,588
Revaluation	2,536	-	-	-	2,536
Reclassifications	(116)	99	(4,616)	-	(4,633)
Disposals	(121)	-	(2,295)	-	(2,416)
At 31 December 2019	503,855	24,675	17,165	1,370	547,065
Accumulated depreciation					
At 1 January 2019	1,174	7,174	8,261		16,728
IFRS 16 adjustment				119	
At 1 January 2019 (as restated)				119	
Charge for year	934	954	2,865	305	5,058
Reclassifications	-	-	(4,633)	-	(4,633)
Disposals	(136)	(1)	(1,400)	-	(1,537)
At 31 December 2019	1,972	8,127	5,093	424	15,616
Net book value					
At 31 December 2019	501,883	16,548	12,072	946	531,449
At 31 December 2018 (as restated)	487,909	14,841	12,070	442	515,262

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****10. Property, plant and equipment (continued)**

The carrying amount of freehold land and property comprises:

	2019	2018
	£000	£000
Investment property at fair value:		
Freehold property	69,509	59,906
Other freehold land and buildings at net book value:		
Freehold buildings	37,944	34,709
Freehold land	394,430	393,294
	501,883	487,909

The freehold investment properties were valued at 31 December 2019 and 31 December 2018 by valuation specialists with a recognised and relevant professional qualification and with recent experience in the location and category of the investment property being valued. The properties have been valued in accordance with the RICS Valuation – Professional Standards 2016.

Movements in the fair value of investment properties are as follows:

Fair value:	£000
At 1 January 2019	59,906
Additions	6,767
Transfers	300
Gain on valuation	2,536
At 31 December 2019	69,509

Rental income arising from investment properties amounted to £1.7m, with associated direct expenditure of £0.2m.

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****10b. Leases**

This note provides information for leases where the Company is a lessee

Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	2019 £000	2018 (as restated) £000
Right of use assets		
Machinery	946	443
	946	443
Lease liabilities		
Current	24	-
Non-current	935	447
	959	447

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	2019 £000	2018 (as restated) £000
Depreciation	305	119
Interest expense	28	14
(Gain)/Loss on lease liability	(324)	(128)

The total cash outflow for leases in 2019 was £324,460 (2018: £127,851)

11. Investments

	£000
At 1 January	155
Additions	-
Disposals	-
At 31 December	155

All investments held by the Company are unlisted.

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****12. Inventory**

	2019	2018
	£000	£000
Raw materials	2,219	1,423
Agricultural produce	13,808	13,336
	16,027	14,759

13. Biological assets

	2019	2018
	£000	£000
Growing crops : at lower of cost and net realisable value	2,330	3,716
Growing crops : at current market value less harvesting costs	628	193
Livestock	1,518	1,436
	4,476	5,345

Movements of the carrying amounts of each class of biological asset were as follows:

	Growing crops	Livestock
	£000	£000
At 1 January 2019	3,909	1,436
Additions	2,958	669
Deaths		(30)
Sales		(1,151)
Gain on fair value		594
Harvest of crops in ground	(3,909)	
At 31 December 2019	2,958	1,518

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****14. Receivables**

	2019	2018
	£000	£000
Trade receivables	2,819	1,720
Prepayments and accrued income	989	779
Group relief receivable from Group undertakings	1,301	-
Other receivables	1,834	5,111
VAT	1,155	1,675
	8,098	9,285

15. Payables: amounts falling due within one year

	2019	2018
	£000	£000
Overdraft owed to Group undertaking	5,394	10,203
Trade payables	1,493	2,617
Other payables	1,544	673
Amounts owed to Group undertakings	-	33
Other taxes and social security	157	594
Accruals and deferred income	2,108	1,859
	10,696	15,979

The overdraft and amounts owed to Group undertakings are unsecured and repayable on demand.

Beeswax Dyson Farming Limited**Notes to the financial statements (continued)****16. Provisions for liabilities**

	2019	2018
		£000
Deferred tax liability	2,817	1,935
	2,817	1,935
Deferred tax comprises:		2019
		£000
Accelerated capital allowances		1,628
Other temporary timing differences		1,189
At 31 December		2,817

17. Called up share capital

	2019	2018
	£000	£000
Allotted and fully paid share capital		
206,637 Ordinary shares of £1 each (2018: 201,909 Ordinary shares of £1 each)	207	202

During the year, the Company issued 4,728 £1 Ordinary shares at a premium of £3,384.095 per share

All shares are ordinary shares and rank pari passu in all respects.

18. Financial commitments

Capital expenditure contracted but not provided for at the year-end was £nil (2018: £nil).

Beeswax Dyson Farming Limited

Notes to the financial statements (continued)

19. Related party transactions

As permitted by FRS101 8(k), the Company has taken advantage of the exemption available under that standard in relation to "related party transactions" from the requirement to disclose transactions with wholly owned group companies on the grounds that consolidated financial transactions are prepared by the ultimate parent company.

20. Contingent liabilities

The Company has charges over certain property in respect of the revolving credit facility with a third party. The facility is available for drawdown on demand in the sum of £15m that expires in 2024. The facility has not been utilised to date.

21. Post balance sheet events

On 20th January 2020 an additional 1,773 shares were issued with a cash price value of £3,384.095 per share.

The board has considered the escalation of Covid-19 between the balance sheet date and the signing of the financial statements and its potential impact on the business. While this impact remains uncertain the Company has taken proactive actions based on the latest Government advice to initiate appropriate business continuity measures to safeguard staff and operations. The Company has sufficient geographical diversification of assets, revenues, cash reserves and access to liquidity during this period of uncertainty. Funding allocations for 2020 and support to subsidiary businesses continues to be in place from Company and Treasury functions and therefore despite the escalation of COVID-19 the board considers the going concern assumptions to be appropriate. The Directors have also considered the impact of COVID-19 on the accounting estimates prepared by the directors and significant assumptions used in the preparation of the financial statements for the year ended 31 December 2019 and do not consider it has any direct material financial impact on the financial statements. The Directors have therefore not made any subsequent provisions in the financial statements because of COVID-19.

22. Ultimate parent undertaking and controlling party

At 31 December 2019 the immediate parent company was New Beeswax Dyson Farming Limited, a company incorporated in the United Kingdom. The address of the registered office of New Beeswax Dyson Farming Limited is The Estate Office, Cyclone Way, Nocton, Lincolnshire, LN4 2GR.

At 31 December 2018, the immediate parent company was Weybourne Group Limited, a company incorporated in the United Kingdom. On 9 May 2019, Weybourne Group Limited was placed into Members Voluntary Liquidation and the trade and assets were transferred to Weybourne Holdings Pte Ltd, a company incorporated in Singapore.

At 31 December 2019, the ultimate parent company was Weybourne Holdings Pte Ltd.

The largest group within which the financial statements of the Company are consolidated in respect of the year ended 31 December 2019 is that headed by Weybourne Holdings Pte Ltd. Copies of the financial statements of Weybourne Holdings Pte Ltd are available from the Company at Tetbury Hill, Malmesbury, Wiltshire SN16 9JW. The ultimate controlling party is Sir James Dyson by virtue of his controlling interest in the shares of Weybourne Holdings Pte Ltd.

Beeswax Dyson Farming Limited

Notes to the financial statements (continued)

23. Transition to FRS 101

For all previous years up to and including the year ended 31 December 2018, the company prepared its financial statements in accordance with FRS 102. These financial statements for the year ended 31 December 2019, are the first the Company has prepared in accordance with FRS 101.

The only significant impact to the Company on the transition to FRS101 is the adoption of IFRS 16 Leases, which requires the Company to capitalise any assets held under operating leases. Accordingly, the Company has prepared individual financial statements which comply with FRS 101 and IFRS 16, applicable for year beginning 1 January 2018.

Changes to equity are detailed on page 9 of the financial statements and a summary of the balance sheet movements are as follows:

<u>Summary</u>	<u>Net position</u>
<u>2017</u>	
Right of use asset - additions	214,900
Lease liability	(216,905)
Reserves :	2,005
<u>2018</u>	
Right of use asset - additions	441,618
Lease liability	(446,720)
Reserves :	3,097
<u>2019</u>	
Right of use asset - additions	945,303
Lease liability	(958,957)
Reserves :	8,552