

Company Registration No. 07931451 (England and Wales)

Farmers Guardian Limited

**Annual report and financial statements
for the year ended 31 December 2022**

Farmers Guardian Limited

Company information

Directors	Simon Foster Leighton Newbury Jonathon Whiteley	(Appointed 29 October 2022) (Appointed 29 October 2022)
------------------	---	--

Company number	07931451
-----------------------	----------

Registered office	Unit 4 Fulwood Park Caxton Road Fulwood Preston PR2 9NZ
--------------------------	---

Independent auditor	BDO LLP 55 Baker Street London W1U 7EU
----------------------------	---

Farmers Guardian Limited

Contents

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 9
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements	13 - 28

Farmers Guardian Limited

Strategic report

For the year ended 31 December 2022

The directors present the strategic report for the year ended 31 December 2022.

Review of the business

Farmers Guardian Limited (the Company) publishes industry specific media content tailored to the UK agricultural market. Publications include the Farmers Guardian weekly newspaper, the monthly Dairy Farmer and Arable Farming magazines and provides events and digital products to its customers.

The profit for the year, before exceptional items and taxation, amounts to £2.251m (2021: £3.011m).

Revenue decreased by 1.1% to £9.4m (2021: £9.5m). The small reduction in turnover was caused by a slowdown in advertising and reader volumes.

Farmers Guardian still continues to performed well in the Agriculture market - continuing to gain market share and to develop insightful products. The portfolio enters 2023 in a robust position.

Principal risks and uncertainties

The objective of the Board is to manage risk across the Group (Arc Investco Limited and its subsidiaries) of which the Company is a member, in order to enable the Group to achieve its business objectives. Changes to these objectives may result in a change to the risks faced by the Group and this is monitored closely by the Board. The main risks arising from the Group's financial instruments are credit risk and liquidity risk.

Credit risk

In the normal course of business, the Company incurs credit risk associated with cash and trade receivables. The Company follows the Group's credit policy that is used to manage this exposure to credit risk. The company does not have a significant concentration of risk with any single entity.

Liquidity risk

Liquidity risk represents the Company's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis for all entities within the Group. The Company generates sufficient cash flows from its operating activities to meet its financial obligations.

Interest rate risk

The Company does not have a significant exposure to interest rate fluctuations as it has no significant borrowings or loans that are carried at a floating interest rate. All borrowings are denominated in Sterling.

Farmers Guardian Limited

Strategic report (continued)

For the year ended 31 December 2022

Key performance indicators

The Directors monitor the performance of the business by reference to key financial performance indicators. These indicators include revenue, contribution and earnings before tax, depreciation and amortisation (EBITDA). In addition, the Directors monitor the yields across classified, display and membership income as well as renewal rates for both members and exhibitions.

Future

In 2023 Farmers Guardian will continue to develop its offerings on a customer centric, platform neutral, digitally underpinned basis. This will include the development of additional cross-media packages for its customers.

On behalf of the board

Simon Foster

Director

2 November 2023

Farmers Guardian Limited

Directors' report

For the year ended 31 December 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of publishing specific media content tailored to the UK agricultural market.

Results and dividends

The results for the year are set out on page 10 on the Statement of Comprehensive Income.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

Anup Bagaria	(Resigned 29 October 2022)
Simon Foster	
Robert Gray	(Resigned 29 October 2022)
Amanda Ratner	(Resigned 29 October 2022)
Michael Struble	(Resigned 29 October 2022)
Leighton Newbury	(Appointed 29 October 2022)
Jonathon Whiteley	(Appointed 29 October 2022)

Auditor

BDO LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 of 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;
- state whether applicable UK accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.

Farmers Guardian Limited

Directors' report (continued)
For the year ended 31 December 2022

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 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

The company is financially supported by Arc Investco Limited which has confirmed that it will continue to provide ongoing financial support to the company for the foreseeable future and a period of at least 12 months plus one day from the issuance of the financial statements.

The Directors recognize there are sufficient profits generated by the company and deem no need for the company to rely on the financial support of Arc Investco Limited. The directors have made appropriate enquiries of Arc Investco Limited to gain assurance that the group can provide ongoing support if required.

The directors have reviewed the current profits of the company and results of Farmers Guardian Limited and the additional credit facilities available to it and feel confident that its parent will be able to provide the support to the company and will not redact it.

In respect of the intercompany loan balance of £5,091,954 due to Group undertakings, confirmation has been obtained that repayment of the balance will not be demanded or sought unless the company has the financial resources available to do so.

On the basis of the company's business activity, together with the available financial support from its parent, the directors have a reasonable expectation that the company will be able to continue operations for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

On behalf of the board

Simon Foster
Director

2 November 2023

Farmers Guardian Limited

Independent auditor's report

To the member of Farmers Guardian Limited

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 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.

We have audited the financial statements of Farmers Guardian Limited ("the Company") for the year ended 31 December 2022 which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and notes to the financial statements, 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 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Farmers Guardian Limited

Independent auditor's report (continued)

To the member of Farmers Guardian Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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 Strategic report or 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, 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.

Independent auditor's report (continued)

To the member of Farmers Guardian Limited

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice), the Companies Act of 2006, Data Protection Act 2018, General Data Protection Regulation (GDPR), and UK tax legislation.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be regulations such as National Insurance and VAT requirements.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Agreed audited financial statement figures to the tax computation prepared by management's tax preparer and recalculated key tax figures; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Independent auditor's report (continued)
To the member of Farmers Guardian Limited

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Reviewing the revenue recognition process per stream and identified potential gaps in the process to identify what could go wrong and how it could result in incorrect revenue recognition. Obtaining an understanding of the processes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how management monitors processes and controls; and
- Testing on a sample basis revenue to relevant stream-specific support to ascertain appropriate revenue recognition.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Farmers Guardian Limited

Independent auditor's report (continued)

To the member of Farmers Guardian Limited

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.

Peter Smithson (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

Date 3 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Farmers Guardian Limited

**Statement of comprehensive income
For the year ended 31 December 2022**

		2022	2021
	Notes	£	£
Turnover	3	9,369,742	9,542,770
Cost of sales		(4,049,209)	(3,679,852)
Gross profit		5,320,533	5,862,918
Distribution costs		(1,784,463)	(1,819,073)
Administrative expenses		(1,285,169)	(1,032,608)
Exceptional item	4	-	(644,248)
Profit before taxation		2,250,901	2,366,989
Tax on profit	7	(352,379)	(92,220)
Profit for the financial year		1,898,522	2,274,769

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

There was no other comprehensive income for 2022 (2021: £nil).

The notes on pages 13 to 28 form part of these financial statements.

Farmers Guardian Limited

**Statement of financial position
As at 31 December 2022**

			2022	2021
	Notes	£	£	£
Fixed assets				
Intangible assets	9		102,357	135,541
Tangible assets	10		50,868	61,156
Investments	11		6,020,627	-
			<u>6,173,852</u>	<u>196,697</u>
Current assets				
Debtors	14	6,916,400	926,627	
Cash at bank and in hand		1,981,722	2,644,618	
		<u>8,898,122</u>	<u>3,571,245</u>	
Creditors: amounts falling due within one year	15	(8,111,973)	(3,467,797)	
Net current assets			<u>786,149</u>	<u>103,448</u>
Net assets			<u>6,960,001</u>	<u>300,145</u>
Capital and reserves				
Called up share capital	17		1,000	1,000
Share premium account			4,860,334	99,000
Profit and loss reserves			2,098,667	200,145
Total equity			<u>6,960,001</u>	<u>300,145</u>

The notes on pages 13 to 26 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 2 November 2023 and are signed on its behalf by:

Simon Foster
Director

Company Registration No. 07931451

Farmers Guardian Limited

**Statement of changes in equity
For the year ended 31 December 2022**

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 January 2021		1,000	99,000	10,256,525	10,356,525
Year ended 31 December 2021:					
Profit and total comprehensive income for the year		-	-	2,274,769	2,274,769
Dividends	8	-	-	(12,331,149)	(12,331,149)
Balance at 31 December 2021		1,000	99,000	200,145	300,145
Year ended 31 December 2022:					
Profit and total comprehensive income for the year		-	-	1,898,522	1,898,522
Issue of share capital	17	-	4,761,334	-	4,761,334
Balance at 31 December 2022		1,000	4,860,334	2,098,667	6,960,001

The notes on pages 13 to 26 form part of these financial statements.

Farmers Guardian Limited

Notes to the financial statements For the year ended 31 December 2022

1 Accounting policies

Company information

Farmers Guardian Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 4 Fulwood Park, Caxton Road, Fulwood, Preston, PR2 9NZ. The principal activities are set out in the strategic report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in pound sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Farmers Guardian Limited is a wholly owned subsidiary of Arc Media Holdings Limited and the results of Farmers Guardian Limited are included in the consolidated financial statements of Arc Investco Limited as at 31 December 2022, which are available from Unit 4 Fulwood Park, Caxton Road, Fulwood, Preston, PR2 9NZ.

Farmers Guardian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

1 Accounting policies (continued)

1.2 Going concern

The company is financially supported by Arc Investco Limited which has confirmed that it will continue to provide ongoing financial support to the company for the foreseeable future and a period of at least 12 months plus one day from the issuance of the financial statements.

The Directors recognize there are sufficient profits generated by the company and deem no need for the company to rely on the financial support of Arc Investco Limited. The directors have made appropriate enquiries of Arc Investco Limited to gain assurance that the group can provide ongoing support if required.

The directors have reviewed the current profits of the company and results of Farmers Guardian Limited and the additional credit facilities available to it and feel confident that its parent will be able to provide the support to the company and will not redact it.

In respect of the intercompany loan balance of £5,091,954 due to Group undertakings, confirmation has been obtained that repayment of the balance will not be demanded or sought unless the company has the financial resources available to do so.

On the basis of the company's business activity, together with the available financial support from its parent, the directors have a reasonable expectation that the company will be able to continue operations for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Subscription income is deferred in full and subsequently is recognised on a straight line basis over the life of the membership contract.

Advertising revenue is recognised on the date of publication as this is the point in time at which it is considered that the risks and rewards have transferred to the customer.

Income from events is recognised on the date an event takes place.

Advance exhibitor and attendee revenues for events are deferred in full on inception and subsequently recognised in profit and loss when the event takes place.

1 Accounting policies (continued)

1.4 Intangible fixed assets - goodwill

Goodwill arising on a business combination represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 8 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets for website and software development costs are recognised as an asset if and only if specific criteria are met in order to demonstrate that the asset will generate probable future economic benefits and that its cost can be reliably measured.

Amortisation is recognised so as to write off the cost of website and software assets less their residual values over their useful lives on the following bases:

Website & software	Straight line over 3 years
--------------------	----------------------------

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

1 Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Office equipment	Straight line over 3 years
Fixtures & fittings	Straight line over 3 years
Computer equipment	Straight line over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1 Accounting policies (continued)

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies (continued)

1.10 Financial instruments (continued)

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies (continued)

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

1.14 Retirement benefits

Payments to defined contribution retirement schemes are charged as an expense as they fall due.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

Notes to the financial statements (continued)
For the year ended 31 December 2022

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Investments

Judgements are required in assessing the recoverable value of the company's investments. Where indications of impairment exist the company reviews the carrying value of its investments for principal impairment based on their recoverable values, being the higher of the investments value in use and fair value less costs to sell.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Recoverability of amounts owed by group undertakings

Provision for impairment of the carrying value of amounts owed by group undertakings is made based on management's estimate of the prospect of recovering the amounts due, which includes considering the solvency of the counterparty and its future outlook, based on budgets and forecasts prepared by management.

3 Turnover and other revenue

All income in the year was generated in the principle activity of publishing and in UK markets.

4 Exceptional item

	2022	2021
	£	£
Intercompany loan write off	-	644,248
	<u> </u>	<u> </u>

During the prior year, the company was acquired by new owners and formed part of a new group structure. At the acquisition date, balances due to the previous parent company were written off as a part of the acquisition.

Farmers Guardian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

5 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging:		
Exchange losses	81,313	-
Fees payable to the company's auditor for the audit of the company's financial statements	37,500	27,000
Depreciation of owned tangible fixed assets	44,443	46,910
Amortisation of intangible assets	73,240	62,613
Exceptional items	-	644,248
Operating lease charges	96,000	96,000
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Selling, publication and administration	86	87
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	2,587,940	2,476,741
Social security costs	278,906	252,819
Pension costs	124,199	111,894
	<u> </u>	<u> </u>
	2,991,045	2,841,454
	<u> </u>	<u> </u>

The directors are remunerated through the immediate parent company, Arc Media Holdings Limited, as done in the prior year.

Farmers Guardian Limited**Notes to the financial statements (continued)****For the year ended 31 December 2022****7 Taxation**

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	437,738	92,220
Adjustments in respect of prior periods	(85,359)	-
	<u>352,379</u>	<u>92,220</u>
Total current tax	<u>352,379</u>	<u>92,220</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	2,250,901	2,366,989
	<u>2,250,901</u>	<u>2,366,989</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	427,671	449,728
Tax effect of expenses that are not deductible in determining taxable profit	377	122,901
Adjustments in respect of prior years	(85,359)	-
Group relief	-	(488,823)
Other permanent differences	-	5,130
Deferred tax not provided for	9,690	3,284
	<u>352,379</u>	<u>92,220</u>
Taxation charge for the year	<u>352,379</u>	<u>92,220</u>

Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

Farmers Guardian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

8 Dividends

	2022	2021
	£	£
Interim paid	-	12,331,149
	<u> </u>	<u> </u>

During the year the directors declared and paid a dividend amounting to £nil (2021: £12,331,149).

9 Intangible fixed assets

	Goodwill	Website & software	Total
	£	£	£
Cost			
At 1 January 2022	7,719,934	669,218	8,389,152
Additions	-	40,056	40,056
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2022	7,719,934	709,274	8,429,208
	<u> </u>	<u> </u>	<u> </u>
Amortisation and impairment			
At 1 January 2022	7,719,934	533,677	8,253,611
Amortisation charged for the year	-	73,240	73,240
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2022	7,719,934	606,917	8,326,851
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 December 2022	-	102,357	102,357
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2021	-	135,541	135,541
	<u> </u>	<u> </u>	<u> </u>

Website costs are all internally generated intangible assets. Software relates to purchased computer software.

Farmers Guardian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

10 Tangible fixed assets

	Office equipment	Fixtures & fittings	Computer equipment	Total
	£	£	£	£
Cost				
At 1 January 2022	12,950	54,197	497,054	564,201
Additions	4,378	118	29,659	34,155
	<u>17,328</u>	<u>54,315</u>	<u>526,713</u>	<u>598,356</u>
At 31 December 2022				
Depreciation and impairment				
At 1 January 2022	12,950	46,593	443,502	503,045
Depreciation charged in the year	799	5,523	38,121	44,443
	<u>13,749</u>	<u>52,116</u>	<u>481,623</u>	<u>547,488</u>
At 31 December 2022				
Carrying amount				
At 31 December 2022	3,579	2,199	45,090	50,868
	<u><u>-</u></u>	<u><u>7,604</u></u>	<u><u>53,552</u></u>	<u><u>61,156</u></u>
At 31 December 2021				

11 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	12	6,020,627	-
		<u><u>6,020,627</u></u>	<u><u>-</u></u>

Farmers Guardian Limited**Notes to the financial statements (continued)****For the year ended 31 December 2022****11 Fixed asset investments (continued)****Movements in fixed asset investments**

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2022	-
Additions	6,020,627
At 31 December 2022	6,020,627
Carrying amount	
At 31 December 2022	6,020,627
At 31 December 2021	-

On 4 May 2022, the Company acquired 100% of the share capital of two entities, FoodCompanions Impact B.V. and FoodCompanions B.V. which together form Bridge2Food, a business operating in the plant-based food sector, for an initial consideration of £5.31m (€5.60m) with further deferred consideration to be paid if specific targets are met. The total additions in the year incorporate the purchase price along with the related costs to purchase.

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
FoodCompanions Impact B.V.	1	Ordinary	100.00	-
FoodCompanions B.V.	1	Ordinary	100.00	-

Registered office addresses:

1 Aan de Rijn 6, 6701PB, Wageningen, Netherlands

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Farmers Guardian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

12 Subsidiaries (continued)

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
FoodCompanions Impact B.V.	1	Ordinary	100	-
FoodCompanions B.V.	1	Ordinary	100	-

Registered office addresses:

¹ Aan de Rijn 6, 6701PB, Wageningen, Netherlands

14 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	974,372	720,456
Amounts owed by group undertakings	5,741,197	17,604
Other debtors	76,022	83,523
Prepayments and accrued income	124,809	105,044
	<u>6,916,400</u>	<u>926,627</u>

Amounts owed by group undertakings are unsecured, interest free and there are no set terms of repayment.

Amounts owed by group undertakings are secured, interest free and there are no set terms of repayment.

Following a review by the directors, it was identified that £

Farmers Guardian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	382,748	322,425
Amounts owed to group undertakings	5,091,954	1,744,994
Corporation tax	444,599	92,220
Other taxation and social security	120,315	152,335
Other creditors	1,049,578	74,678
Accruals and deferred income	1,022,779	1,081,145
	<u>8,111,973</u>	<u>3,467,797</u>

Amounts owed to group undertakings falling due within one year are unsecured, interest free and there are no set terms of repayment.

Other creditors includes a £948,850 adjustment to the purchase price payable to the previous owners of FoodCompanions Impact B.V. and FoodCompanions B.V, the subsidiaries acquired during the year. This was subsequently settled post year end.

16 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	124,199	111,894
	<u>124,199</u>	<u>111,894</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the balance sheet date, outstanding contributions amounts to £nil (2021: £nil) and are included within other creditors.

17 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of 1p each	100,001	100,000	1,000	1,000
	<u>100,001</u>	<u>100,000</u>	<u>1,000</u>	<u>1,000</u>

The company has one class of ordinary share carrying full rights to voting, dividends and distribution of capital.

Farmers Guardian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2022

17 Share capital (continued)

On 4 May 2022, 1 Ordinary share with a nominal value of £0.01 was issued for an aggregate consideration of £ 4,761,334.

18 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	-	99,078
Between two and five years	-	25,080
	<hr/>	<hr/>
	-	124,158
	<hr/> <hr/>	<hr/> <hr/>

19 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

20 Ultimate controlling party

The immediate parent undertaking is Arc Media Holdings Limited. The ultimate parent company is Arc Investco Limited. This is the only group of which the company is a member for which group financial statements are prepared. Copies of the group financial statements are available from the company's registered office at Unit 4 Fulwood Park, Caxton Road, Fulwood, Preston, England, PR2 9NZ.

In the opinion of the directors, there is no ultimate controlling party.

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.