

Company registration number: 08150306

**M & R Everatt Farming Ltd
Filleled Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2019**

M & R EVERATT FARMING LTD

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M & R EVERATT FARMING LTD

(Registration number: 08150306)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>4</u>	152,622	190,778
Tangible assets	<u>5</u>	1,568,279	1,445,134
		<u>1,720,901</u>	<u>1,635,912</u>
Current assets			
Biological assets	<u>6</u>	375,153	291,200
Stocks	<u>7</u>	528,631	283,620
Debtors	<u>8</u>	241,172	689,205
Cash at bank and in hand		<u>95,412</u>	<u>31,560</u>
		1,240,368	1,295,585
Creditors: Amounts falling due within one year	<u>9</u>	<u>(3,034,666)</u>	<u>(4,109,127)</u>
Net current liabilities		<u>(1,794,298)</u>	<u>(2,813,542)</u>
Total assets less current liabilities		(73,397)	(1,177,630)
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(1,438,962)</u>	<u>(292,729)</u>
Net liabilities		<u>(1,512,359)</u>	<u>(1,470,359)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss reserve		<u>(1,512,459)</u>	<u>(1,470,459)</u>
Total equity		<u>(1,512,359)</u>	<u>(1,470,359)</u>

M & R EVERATT FARMING LTD

(Registration number: 08150306)

Balance Sheet as at 31 March 2019

For the financial year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The option not to file the profit and loss account and directors' report has been taken.

Approved and authorised by the Board on 31 January 2020 and signed on its behalf by:

M R Everatt
Director

M & R EVERATT FARMING LTD

Notes to the Financial Statements for the Year Ended 31 March 2019

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are presented in Sterling (£).

Going concern

At the balance sheet date the company had net liabilities of £1,512,359. Included in current liabilities are loans from the directors of £2,004,577. The directors have confirmed that they will continue to support the company and as such consider the preparation of the financial statements on the going concern basis to be appropriate.

Turnover recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of grain and the provision of contracting and haulage services. Turnover is shown net of VAT and is recognised when services are provided to customers.

M & R EVERATT FARMING LTD

Notes to the Financial Statements for the Year Ended 31 March 2019

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation of tangible assets

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% reducing balance basis
Lorries and tractors	15% reducing balance basis
Fixtures and fittings	15% reducing balance basis

Biological current assets

Biological assets not held for continuing use within the business are classified as current assets. Such assets are measured at cost less accumulated impairment. Assets within this classification comprise of tillages.

Basic Payment Scheme

Basic payment scheme (BPS) entitlements are measured at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Basic Payment Scheme entitlements	6 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks comprising deadstock such as fuel, fertiliser and sprays are stated at the lower of cost and estimated selling price less costs to complete and sell.

M & R EVERATT FARMING LTD

Notes to the Financial Statements for the Year Ended 31 March 2019

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Assets held under hire purchase agreements are capitalised as tangible fixed assets with the future obligation being recognised as a liability. Finance costs are recognised in the Profit and Loss Account calculated at a constant periodic rate of interest over the term of the liability.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

M & R EVERATT FARMING LTD

Notes to the Financial Statements for the Year Ended 31 March 2019

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 14 (2018 - 15).

4 Intangible assets

	Basic payment scheme entitlements £	Total £
Cost or valuation		
At 1 April 2018	228,934	228,934
At 31 March 2019	228,934	228,934
Amortisation		
At 1 April 2018	38,156	38,156
Amortisation charge	38,156	38,156
At 31 March 2019	76,312	76,312
Carrying amount		
At 31 March 2019	152,622	152,622
At 31 March 2018	190,778	190,778

Basic Payment Scheme Entitlements

The amortisation charge for the year is recognised within depreciation in the profit and loss. Deferred income has been released to the profit and loss and is recognised as other operating income. The net effect in the profit and loss for the year is £Nil.

M & R EVERATT FARMING LTD

Notes to the Financial Statements for the Year Ended 31 March 2019

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Lorries and Tractors £	Plant and machinery £
Cost or valuation				
At 1 April 2018	-	-	1,511,389	792,025
Additions	42,870	9,318	335,000	100,556
Disposals	-	-	(135,000)	(35,326)
At 31 March 2019	42,870	9,318	1,711,389	857,255
Depreciation				
At 1 April 2018	-	-	562,340	295,940
Charge for the year	-	1,398	180,892	83,654
Eliminated on disposal	-	-	(56,884)	(14,787)
At 31 March 2019	-	1,398	686,348	364,807
Carrying amount				
At 31 March 2019	42,870	7,920	1,025,041	492,448
At 31 March 2018	-	-	949,049	496,085
				Total £
Cost or valuation				
At 1 April 2018				2,303,414
Additions				487,744
Disposals				(170,326)
At 31 March 2019				2,620,832
Depreciation				
At 1 April 2018				858,280
Charge for the year				265,944
Eliminated on disposal				(71,671)
At 31 March 2019				1,052,553
Carrying amount				
At 31 March 2019				1,568,279
At 31 March 2018				1,445,134

Included within the net book value of land and buildings above is £42,870 (2018 - £Nil) in respect of freehold land and buildings.

M & R EVERATT FARMING LTD

Notes to the Financial Statements for the Year Ended 31 March 2019

6 Biological assets

	Tillages £	Total current assets £
Cost or valuation		
At 1 April 2018	291,200	291,200
New crop costs	375,153	375,153
Old crop harvested	(291,200)	(291,200)
At 31 March 2019	375,153	375,153
Depreciation		
Carrying amount		
At 31 March 2019	375,153	375,153
At 31 March 2018	291,200	291,200

7 Stocks

	2019 £	2018 £
Other stocks	528,631	283,620

8 Debtors

	2019 £	2018 £
Trade debtors	121,223	607,872
Other debtors	119,949	81,333
Total current trade and other debtors	241,172	689,205

M & R EVERATT FARMING LTD

Notes to the Financial Statements for the Year Ended 31 March 2019

9 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Finance lease and hire purchase contracts	<u>10</u>	239,056	252,643
Trade creditors		620,259	1,350,154
Taxation and social security		3,152	-
Other creditors		<u>2,172,199</u>	<u>2,506,330</u>
		<u>3,034,666</u>	<u>4,109,127</u>
Due after one year			
Finance lease and hire purchase contracts	<u>10</u>	<u>1,438,962</u>	<u>292,729</u>

10 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Obligations under finance leases and hire purchase contracts	<u>239,056</u>	<u>252,643</u>
Non-current loans and borrowings		
Obligations under finance leases and hire purchase contracts	338,962	292,729
Other borrowings	<u>1,100,000</u>	-
	<u>1,438,962</u>	<u>292,729</u>

Other borrowing, finance leases and hire purchase contracts

Other borrowings presented within note 10 is a loan from Folk2Folk a Peer to Peer lender, This loan is secured on a fixed charge on land and buildings owned by the directors. The loan is on an interest only basis and repayable within the next five years.

Net obligations under finance lease and hire purchase contracts are secured by fixed charges over the assets to which they relate.

11 Related party transactions

Other transactions with directors

M R, M and R Everatt

The directors maintain a loan account with the company which is unsecured, interest free and repayable on demand. At the balance sheet date the amount due to M R, M and R Everatt was £2,004,577 (2018 £2,302,552).

The directors did not receive any remuneration from the company during the year ended 31 March 2019 (2018 - £nil)

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