

AGRICULTURE INVESTMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

AGRICULTURE INVESTMENTS LIMITED

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AGRICULTURE INVESTMENTS LIMITED
REGISTERED NUMBER: 08781405

BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	3,246,393	1,579,860
Investments	5	938,087	277,146
		<u>4,184,480</u>	<u>1,857,006</u>
Current assets			
Debtors: amounts falling due within one year	6	5,282,161	2,077,041
Cash at bank and in hand		543,957	619
		<u>5,826,118</u>	<u>2,077,660</u>
Creditors: amounts falling due within one year	7	(9,206,076)	(3,081,497)
Net current liabilities		<u>(3,379,958)</u>	<u>(1,003,837)</u>
Total assets less current liabilities		804,522	853,169
Creditors: amounts falling due after more than one year	8	(780,085)	(822,731)
Net assets		<u><u>24,437</u></u>	<u><u>30,438</u></u>
Capital and reserves			
Called up share capital		300,100	300,100
Profit and loss account		(275,663)	(269,662)
		<u><u>24,437</u></u>	<u><u>30,438</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2021.

P Beaumont
Director

The notes on pages 2 to 7 form part of these financial statements.

AGRICULTURE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. General information

The company is a private company limited by shares, and is incorporated in England and Wales. The address of its registered office is 4th Floor, 7-10 Chandos Street, London, W1G 9DQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.3 Going concern

The directors have prepared the accounts on a going concern basis. This basis is considered appropriate as the ultimate parent company has confirmed that it will provide support to enable the company to meet their forecast liabilities as they fall due.

2.4 Turnover

Rental income

Turnover represents rental income from land owned by the company. Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding value added tax.

Rendering of services

Turnover from management fees is recognised in the period in which the services are provided to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding value added tax.

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2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold property	-
	50 years
Plant and machinery	-
	10 years
Motor vehicles	-
	3 years
Fixtures and fittings	-
	5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.14 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

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**NOTES TO THE FINANCIAL STATEMENTS
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3. Employees

The average monthly number of employees, including directors, during the year was 14 (2019 - 10).

4. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Growing stock £	Total £
Cost						
At 1 October 2019	1,505,026	30,150	22,739	2,760	30,478	1,591,153
Additions	1,677,680	-	-	-	-	1,677,680
				2,760	30,478	
At 30 September 2020	3,182,706	30,150	22,739			3,268,833
Depreciation						
At 1 October 2019	-	1,835	8,906	552	-	11,293
Charge for the year	-	3,015	7,580	552	-	11,147
				1,104	-	
At 30 September 2020	-	4,850	16,486			22,440
Net book value						
				1,656	30,478	
At 30 September 2020	3,182,706	25,300	6,253			3,246,393
				2,208	30,478	
At 30 September 2019	1,505,026	28,315	13,833			1,579,860

Included within freehold property is land of £2,102,736 (2019 - £1,505,026) which is not depreciated.

5. Fixed asset investments

	Investments in subsidiary companies £	Investment in joint ventures £	Total £
Cost			
At 1 October 2019	277,146	-	277,146
Additions	200,000	460,941	660,941
At 30 September 2020	477,146	460,941	938,087

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Debtors

	2020	2019
	£	£
Amounts owed by group undertakings	5,267,963	2,066,116
Other debtors	35	10,925
Prepayments and accrued income	14,163	-
	<u>5,282,161</u>	<u>2,077,041</u>

7. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank loans	49,594	49,594
Trade creditors	57,553	30,612
Amounts owed to group undertakings	8,826,969	2,910,892
Other taxation and social security	38,150	13,032
Other creditors	6,200	2,175
Accruals and deferred income	227,610	75,192
	<u>9,206,076</u>	<u>3,081,497</u>

For detail of bank loan security see note 9.

8. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans	<u>780,085</u>	<u>822,731</u>

Secured loans

The bank loan is secured by way of a fixed and floating charge over the assets of the company and by way of a cross-guarantee provided by fellow group undertakings. The bank loan is also secured by way of a mortgage over property held in the company.

A total of £581,708 (2019 - £624,354) is due for repayment by instalments after more than five years.

9. Controlling party

The smallest group for which consolidated financial statements are prepared which include the results of this company is that headed by Terradace Holdings Limited, and its registered office is 4th Floor, 7/10 Chandos Street, London, W1G 9DQ.

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Auditors' information

The auditors' report on the financial statements for the year ended 30 September 2020 was unqualified.

The audit report was signed on 29 June 2021 by Daryush Farshchi-Heidari (FCA) (Senior Statutory Auditor) on behalf of Simmons Gainsford LLP.

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.