

**NICHOLAS LOFTUS (FARMS) LTD**  
**UNAUDITED ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED**  
**30 APRIL 2006**

**Company Number 01737635**

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**NICHOLAS LOFTUS (FARMS) LTD**

**UNAUDITED ABBREVIATED ACCOUNTS**

**For the year ended 30 April 2006**

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Company registration number: 01737635

Registered office: Boyton Hall  
Finchingfield  
Braintree  
Essex CM7 4NZ

Directors: Mr N M A Loftus  
Mrs M Loftus

Secretary: Mr N M A Loftus

Accountants: Grant Thornton UK LLP  
Chartered accountants  
Bury St Edmunds

**NICHOLAS LOFTUS (FARMS) LTD**

**UNAUDITED ABBREVIATED ACCOUNTS**

For the year ended 30 April 2006

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**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF  
DIRECTORS ON THE UNAUDITED ABBREVIATED ACCOUNTS OF**

**Grant Thornton** 

**NICHOLAS LOFTUS (FARMS) LTD**

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In accordance with the engagement letter dated 25 October 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the abbreviated accounts of the company for the year ended 30 April 2006 which comprise the principal accounting policies, the abbreviated balance sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the abbreviated accounts that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the abbreviated balance sheet your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the unaudited abbreviated accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated accounts.

 UK LLP

**GRANT THORNTON UK LLP**  
**CHARTERED ACCOUNTANTS**  
Bury St Edmunds

Date: 3.1.07

# **NICHOLAS LOFTUS (FARMS) LTD**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

### **TURNOVER**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Depreciation is calculated to write down the cost of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:-

Leasehold properties	10% straight line
Plant and machinery	20% straight line

### **GOVERNMENT GRANTS/ASSISTANCE**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account by equal annual instalments over the expected useful lives of the relevant assets.

Government grants of a revenue nature are credited to the profit and loss account in the same period as the related expenditure.

### **INVESTMENTS**

Investments are included at cost less amounts written off.

### **INTANGIBLE FIXED ASSETS - MILK QUOTA**

Milk quota is capitalised and is amortised on a straight line basis over its estimated useful economic life to 31 March 2015.

### **STOCKS**

Stocks are stated at the lower of cost and net realisable value.

**DEFERRED TAXATION**

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

**HIRE PURCHASE AGREEMENTS**

Assets held under hire purchase agreements are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the hire purchase payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the agreement.

**FINANCIAL INSTRUMENTS**

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 asset of the entity after deducting all of the financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to equity.

**NICHOLAS LOFTUS (FARMS) LTD****UNAUDITED ABBREVIATED BALANCE SHEET AT 30 APRIL 2006**

	Note	2006	Restated 2005
		£	£
<b>Fixed assets</b>			
Intangible assets	1	162,643	180,714
Tangible assets	1	201,474	155,130
Dairy herd	1	90,300	83,300
Investments	1	60,421	38,633
		<b>514,838</b>	<b>457,777</b>
<b>Current assets</b>			
Stocks		44,614	56,406
Debtors		185,101	122,749
		<b>229,715</b>	<b>179,155</b>
<b>Creditors: amounts falling due within one year</b>	2	<b>62,516</b>	<b>23,983</b>
<b>Net current assets</b>		<b>167,199</b>	<b>155,172</b>
<b>Total assets less current liabilities</b>		<b>682,037</b>	<b>612,949</b>
<b>Creditors: amounts falling due after more than one year</b>	2	<b>7,736</b>	<b>-</b>
		<b>674,301</b>	<b>612,949</b>
<b>Capital and reserves</b>			
Called up equity share capital	3	76,000	76,000
Share premium account		125,226	125,226
Profit and loss account		473,075	411,723
<b>Shareholder' funds</b>		<b>674,301</b>	<b>612,949</b>

For the year ended 30 April 2006 the company was entitled to exemption from audit under Section 249A(1) of the Companies Act 1985. Members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with Section 221, and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of Section 226, and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board of Directors on 22nd December 2006

Mr N M A Loftus ..... Director

The accompanying accounting policies and notes form an integral part of these abbreviated accounts.

**NICHOLAS LOFTUS (FARMS) LTD****NOTES TO THE UNAUDITED ABBREVIATED ACCOUNTS**

For the year ended 30 April 2006

**1 FIXED ASSETS**

	<b>Intangible assets £</b>	<b>Tangible assets £</b>	<b>Dairy herd £</b>	<b>Investments £</b>	<b>Total £</b>
Cost					
At 1 May 2005	180,714	878,843	83,300	38,633	1,181,490
Additions	-	117,221	25,200	21,788	164,209
Disposals	-	(32,000)	(18,200)	-	(50,200)
At 30 April 2006	180,714	964,064	90,300	60,421	1,295,499
Depreciation and amortisation					
At 1 May 2005	-	723,713	-	-	723,713
Provided in the year	18,071	70,877	-	-	88,948
Eliminated on disposal	-	(32,000)	-	-	(32,000)
At 30 April 2006	18,071	762,590	-	-	780,661
Net book amount at 30 April 2006	<b>162,643</b>	<b>201,474</b>	<b>90,300</b>	<b>60,421</b>	<b>514,838</b>
Net book amount at 30 April 2005	180,714	155,130	83,300	38,633	457,777

**2 CREDITORS**

Creditors amounting to £15,472 (2005: £ nil) are secured.



# NICHOLAS LOFTUS (FARMS) LTD

## NOTES TO THE UNAUDITED ABBREVIATED ACCOUNTS

For the year ended 30 April 2006

### 3 SHARE CAPITAL

	2006 £	Restated 2005 £
Authorised		
75,000 ordinary shares of £1 each	75,000	75,000
1,000 "B" ordinary shares of £1 each	1,000	1,000
	<u>76,000</u>	<u>76,000</u>
Allotted, called up and fully paid		
75,000 ordinary shares of £1 each	75,000	75,000
Allotted, called up and unpaid		
1,000 "B" ordinary shares of £1 each	1,000	1000
	<u>76,000</u>	<u>76,000</u>

As at 1 April 2003, 1,000 ordinary "B" shares were issued at £1 each. The shares remain unpaid at 30 April 2006 and 30 April 2005. The financial statements have been adjusted to reflect this transaction accordingly.

The "B" shares have no voting rights or rights to receive any payments on a winding up.

### 4 TRANSACTIONS WITH DIRECTORS

The company invoiced contracting services of £80,000 (2005: £160,000) to Nicholas Loftus & Co, a farming partnership in which the two directors are partners. A further £71,237 (2005: £64,450) was accrued to the company in respect of a profit share agreement with Nicholas Loftus & Co.

At 30 April 2006 Nicholas Loftus & Co owed the company £63,531 (2005: £2,946), the maximum amount in the year was £63,531 (2005 £2946). Interest, at a commercial rate, on this inter-business loan of £1,662 (2005: £7,150) was received by the company during the year.

### 5 CONTROLLING RELATED PARTY

The directors consider that Mr N M A Loftus is the company's controlling related party by virtue of his majority shareholding.