

AJB Farming Ltd
Annual Report and Unaudited Financial Statements
Year Ended 30 September 2021

Registration number: 03369331

AJB Farming Ltd

Contents

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Financial Statements	<u>3</u> to <u>12</u>

AJB Farming Ltd

Balance Sheet

30 September 2021

	Note	2021 £	(As restated) 2020 £
Fixed assets			
Intangible assets	<u>4</u>	-	8,000
Tangible assets	<u>5</u>	3,779,234	3,759,235
Other financial assets	<u>6</u>	690	690
		<u>3,779,924</u>	<u>3,767,925</u>
Current assets			
Stocks		1,237,859	1,002,530
Debtors	<u>7</u>	1,624,476	1,712,133
Cash at bank and in hand		<u>1,753</u>	<u>23,935</u>
		2,864,088	2,738,598
Creditors: Amounts falling due within one year	<u>8</u>	<u>(2,173,579)</u>	<u>(2,262,404)</u>
Net current assets		<u>690,509</u>	<u>476,194</u>
Total assets less current liabilities		4,470,433	4,244,119
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(2,594,420)</u>	<u>(2,644,419)</u>
Provisions for liabilities		<u>(249,413)</u>	<u>(181,155)</u>
Net assets		<u>1,626,600</u>	<u>1,418,545</u>
Capital and reserves			
Called up share capital	<u>10</u>	150,000	150,000
Profit and loss account		<u>1,476,600</u>	<u>1,268,545</u>
Shareholders' funds		<u>1,626,600</u>	<u>1,418,545</u>

AJB Farming Ltd

Balance Sheet

30 September 2021

For the financial year ending 30 September 2021 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 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 29 June 2022 and signed on its behalf by:

.....

Mr D J Butler
Director

.....

Mrs J Butler
Director

Company Registration Number: 03369331

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

1 General information

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

The address of its registered office is:

Bromham House Farm

Bromham

Chippenham

Wiltshire

SN15 2DX

United Kingdom

These financial statements were authorised for issue by the Board on 29 June 2022.

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', including Section 1A, 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.

Going concern

The financial statements have been prepared on a going concern basis. Included in debtors are amounts owing from Bromham Biogas Limited of £1,508,234 (2020 - £1,573,125). That company is currently undergoing a refinancing process and the directors believe that conclusion of that process will result in the recovery of this sum.

Adjusting events after the financial period

The accounts for the year ended 30 September 2020 have been restated by £90,828 to adjust for a charge between a connected company in the previous year in error. This charge was not due to AJB Farming Ltd and has been reversed.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

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
Tenants improvements	10% reducing balance
Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance
Land and buildings	nil

Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

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:

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

Asset class	Amortisation method and rate
Agricultural subsidy entitlements	5 year straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Leases

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.

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 7 (2020 - 7).

4 Intangible assets

	Agricultural subsidy entitlements £	Total £
Cost or valuation		
At 1 October 2020	80,000	80,000
At 30 September 2021	80,000	80,000
Amortisation		
At 1 October 2020	72,000	72,000
Amortisation charge	8,000	8,000
At 30 September 2021	80,000	80,000
Carrying amount		
At 30 September 2021	-	-
At 30 September 2020	8,000	8,000

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

5 Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Dairy herd £	Total £
Cost or valuation					
At 1 October 2020	2,722,286	1,452,710	77,000	285,585	4,537,581
Additions	24,964	256,575	13,750	26,649	321,938
Disposals	(23,266)	(98,765)	(19,500)	-	(141,531)
At 30 September 2021	2,723,984	1,610,520	71,250	312,234	4,717,988
Depreciation					
At 1 October 2020	46,476	584,402	51,526	95,942	778,346
Charge for the year	17,262	158,736	10,216	14,190	200,404
Eliminated on disposal	(456)	(25,488)	(14,052)	-	(39,996)
At 30 September 2021	63,282	717,650	47,690	110,132	938,754
Carrying amount					
At 30 September 2021	2,660,702	892,870	23,560	202,102	3,779,234
At 30 September 2020	2,675,810	868,308	25,474	189,643	3,759,235

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

6 Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Total £
Non-current financial assets		
Cost or valuation		
At 1 October 2020	690	690
At 30 September 2021	690	690
Impairment		
Carrying amount		
At 30 September 2021	690	690

7 Debtors

	2021 £	(As restated) 2020 £
Trade debtors	36,742	8,760
Prepayments	79,500	129,274
Other debtors	1,508,234	1,574,099
	1,624,476	1,712,133

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

8 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	(As restated) 2020 £
Due within one year			
Loans and borrowings	<u>9</u>	1,105,379	1,145,791
Trade creditors		458,037	655,350
Corporation tax		164,876	84,907
Taxation and social security		84,883	94,265
Other creditors		260,539	216,754
Accruals and deferred income		99,865	65,337
		<u>2,173,579</u>	<u>2,262,404</u>

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	<u>9</u>	<u>2,594,420</u>	<u>2,644,419</u>

9 Loans and borrowings

	2021 £	2020 £
Loans and borrowings due after one year		
Bank borrowings	2,423,430	2,515,291
HP and finance lease liabilities	<u>170,990</u>	<u>129,128</u>
	<u>2,594,420</u>	<u>2,644,419</u>

The bank loans are secured by a fixed and floating charge over the company's assets.

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	129,498	157,136
Bank overdrafts	749,961	748,786
Hire purchase contracts	129,720	143,669
Other borrowings	96,200	96,200
	<u>1,105,379</u>	<u>1,145,791</u>

The bank loans are secured by a fixed and floating charge over the company's assets.

AJB Farming Ltd

Notes to the Financial Statements

Year Ended 30 September 2021

10 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary A Shares of £1 each	37,500	37,500	37,500	37,500
Ordinary B Shares of £1 each	97,500	97,500	97,500	97,500
Ordinary C Shares of £1 each	15,000	15,000	15,000	15,000
	150,000	150,000	150,000	150,000

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.