

**Park House Farming Company Limited**  
**Unaudited Financial Statements**  
**31 March 2021**



**Park House Farming Company Limited**

**Contents**

Accountants' Report	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Unaudited Financial Statements	<u>4</u>

**Chartered Accountants' Report to the Board of Directors on the Preparation of the  
Unaudited Statutory Accounts of  
Park House Farming Company Limited  
for the Year Ended 31 March 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Park House Farming Company Limited for the year ended 31 March 2021 as set out on pages 2 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Park House Farming Company Limited, as a body, in accordance with the terms of our engagement letter dated 13 February 2019. Our work has been undertaken solely to prepare for your approval the accounts of Park House Farming Company Limited and state those matters that we have agreed to state to the Board of Directors of Park House Farming Company Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Park House Farming Company Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Park House Farming Company Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Park House Farming Company Limited. You consider that Park House Farming Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Park House Farming Company Limited. 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 statutory accounts.

**Dodd & Co Limited**

Chartered Accountants  
FIFTEEN Rosehill  
Montgomery Way  
Rosehill Estate  
CARLISLE  
CA1 2RW

21 October 2021

# Park House Farming Company Limited

(Registration number: 04425165)  
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	48,212	36,230
Tangible assets	<u>5</u>	1,290,417	1,076,123
Other financial assets	<u>6</u>	20,526	10,263
		<u>1,359,155</u>	<u>1,122,616</u>
<b>Current assets</b>			
Stocks		386,090	372,189
Debtors	<u>7</u>	54,793	105,541
Investments	<u>8</u>	19,898	20,109
Cash at bank and in hand		<u>333,841</u>	<u>422,763</u>
		794,622	920,602
<b>Creditors: Amounts falling due within one year</b>	<u>9</u>	<u>(243,389)</u>	<u>(236,644)</u>
<b>Net current assets</b>		<u>551,233</u>	<u>683,958</u>
<b>Total assets less current liabilities</b>		1,910,388	1,806,574
<b>Creditors: Amounts falling due after more than one year</b>	<u>9</u>	(117,559)	(126,023)
<b>Provisions for liabilities</b>		<u>(160,826)</u>	<u>(160,496)</u>
<b>Net assets</b>		<u>1,632,003</u>	<u>1,520,055</u>
<b>Capital and reserves</b>			
Allotted, called up and fully paid share capital		250	250
Profit and loss account		<u>1,631,753</u>	<u>1,519,805</u>
<b>Total equity</b>		<u>1,632,003</u>	<u>1,520,055</u>

## **Park House Farming Company Limited**

**(Registration number: 04425165)**

### **Balance Sheet as at 31 March 2021 (continued)**

For the financial year ending 31 March 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 in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 21 October 2021 and signed on its behalf by:

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T Blamire

Director

# **Park House Farming Company Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 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:

Park House  
Aikton  
WIGTON  
CA7 0JW

### **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.

#### **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 sales/value added tax, returns, rebates and discounts.

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.

#### **Government grants**

Government grants such as the basic payment scheme are included in the profit and loss account when all the necessary conditions for receipt have been met.

#### **Other grants**

Other grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets on a basis consistent with the depreciation policy.

#### **Basic payment scheme**

The amount paid in connection with the purchase of the basic payment scheme entitlement was amortised over the useful economic life of that entitlement, and has now been fully amortised.

## **Park House Farming Company Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **Tax**

The tax expense for the period comprises current and deferred 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 income 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 in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Short leasehold land and buildings	15% reducing balance
Plant and machinery	10% and 12.5% reducing balance
Motor vehicles	25% reducing balance
Office equipment	3 years straight line

Short leasehold land and buildings relate to tenants improvements on land leased by the company from the shareholders. As the long term intention is for the farming operation to continue, it is deemed a true and fair view to depreciate the assets on a 15% reducing balance basis over their useful economic life, and not the duration of the lease.

#### **Other intangible fixed assets**

Other intangible assets represent an investment in AMCo Common Consolidation which is a contractual requirement in order to benefit from the AMCo milk purchasing agreement. This investment is non refundable and is therefore being amortised over its useful life to the business. As there is no fixed period for the contract the directors have considered it appropriate to adopt an amortisation period of 5 years for the asset on a straight line basis. In addition an annual impairment review is performed.

## **Park House Farming Company Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **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.

#### **Trade debtors**

Trade debtors are amounts due from customers for the sale of goods 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**

Trading stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. The cost of livestock represents the purchase cost plus any additional costs of rearing the animal. Net realisable value is based on selling price less anticipated selling costs. Crop stock is valued at fair value less any anticipated costs to sell.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors 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.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method where due after more than one year.

#### **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.



## **Park House Farming Company Limited**

### **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **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.

#### **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.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### ***Classification***

Equity shares and debt securities

##### ***Recognition and measurement***

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

##### ***Impairment***

For instruments measured at cost less impairment the impairment is the difference between the assets' carrying amount and the best estimate the entity would receive for the asset if it were sold at the reporting date.

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 7 (2020 - 6).

# Park House Farming Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021 (continued)

### 4 Intangible assets

	Basic payment scheme £	Other intangible assets £	Total £
<b>Cost or valuation</b>			
At 1 April 2020	11,067	41,011	52,078
Additions	-	20,526	20,526
At 31 March 2021	11,067	61,537	72,604
<b>Amortisation</b>			
At 1 April 2020	11,067	4,781	15,848
Amortisation charge	-	8,544	8,544
At 31 March 2021	11,067	13,325	24,392
<b>Carrying amount</b>			
At 31 March 2021	-	48,212	48,212
At 31 March 2020	-	36,230	36,230

# Park House Farming Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021 (continued)

### 5 Tangible assets

	Short leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 April 2020	144,489	1,697,237	17,200	2,182	1,861,108
Additions	245,915	132,549	-	453	378,917
Disposals	-	(33,739)	-	-	(33,739)
At 31 March 2021	390,404	1,796,047	17,200	2,635	2,206,286
<b>Depreciation</b>					
At 1 April 2020	61,038	709,029	13,199	1,719	784,985
Charge for the year	12,549	125,913	1,000	258	139,720
Eliminated on disposal	-	(8,836)	-	-	(8,836)
At 31 March 2021	73,587	826,106	14,199	1,977	915,869
<b>Carrying amount</b>					
At 31 March 2021	316,817	969,941	3,001	658	1,290,417
At 31 March 2020	83,451	988,208	4,001	463	1,076,123

# Park House Farming Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021 (continued)

### 6 Other financial assets (current and non-current)

	2021 £	2020 £
<b>Non-current financial assets</b>		
Financial assets at cost less impairment	20,526	10,263
	<b>Financial assets at cost less impairment £</b>	<b>Total £</b>
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 April 2020	10,263	10,263
Additions	10,263	10,263
At 31 March 2021	20,526	20,526
<b>Carrying amount</b>		
At 31 March 2021	20,526	20,526

### 7 Debtors

	2021 £	2020 £
Trade debtors	37,696	74,063
Other debtors	17,097	31,478
	54,793	105,541

### 8 Current asset investments

	2021 £	2020 £
Other investments	19,898	20,109

# Park House Farming Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021 (continued)

### 9 Creditors

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings	<u>10</u>	101,367	99,410
Trade creditors		72,311	69,864
Taxation and social security		-	4,222
Corporation tax liability		33,456	24,949
Other creditors		36,255	38,199
		<u>243,389</u>	<u>236,644</u>
<b>Due after one year</b>			
Loans and borrowings	<u>10</u>	10,439	-
Other creditors		107,120	126,023
		<u>117,559</u>	<u>126,023</u>

### 10 Loans and borrowings

	2021 £	2020 £
<b>Current loans and borrowings</b>		
Finance lease liabilities	5,965	-
Other borrowings	95,402	99,410
	<u>101,367</u>	<u>99,410</u>

Current loans and borrowings includes the following liabilities, on which security has been given by the company:

	2021 £	2020 £
Finance lease liabilities	<u>5,965</u>	<u>-</u>

Finance lease liabilities are secured on the assets to which they relate.

## Park House Farming Company Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 March 2021 (continued)

	2021 £	2020 £
<b>Non-current loans and borrowings</b>		
Finance lease liabilities	10,439	-

Non-current loans and borrowings includes the following liabilities, on which security has been given by the company:

	2021 £	2020 £
Finance lease liabilities	10,439	-

Finance lease liabilities are secured on the assets to which they relate.

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.