

Henllan Farms Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 29 February 2024

Henllan Farms Limited

Contents

Company Information	1
Balance Sheet	2 to 3
Notes to the Financial Statements	4 to 10

Henllan Farms Limited

Company Information

Directors Mr E J T Davies
Mrs M E Davies
Mrs R E Davies

Company secretary Mrs M E Davies

Registered office Caeremlyn
Henllan Amgoed
Whitland
Carmarthenshire
SA34 0SJ

Henllan Farms Limited
(Registration number: 04541036)
Balance Sheet as at 29 February 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	6	1,842,407	1,861,542
Current assets			
Stocks	7	1,500	1,500
Debtors	8	-	48
Cash at bank and in hand		6,191	25,063
		7,691	26,611
Creditors: Amounts falling due within one year	9	(162,976)	(72,910)
Net current liabilities		(155,285)	(46,299)
Total assets less current liabilities		1,687,122	1,815,243
Creditors: Amounts falling due after more than one year	9	(671,998)	(719,402)
Net assets		1,015,124	1,095,841
Capital and reserves			
Called up share capital		500,100	500,100
Profit and loss account		515,024	595,741
Total equity		1,015,124	1,095,841

For the financial year ending 29 February 2024 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 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.

Henllan Farms Limited

(Registration number: 04541036)
Balance Sheet as at 29 February 2024

Approved and authorised by the Board on 20 November 2024 and signed on its behalf by:

.....
Mr E J T Davies
Director

Henllan Farms Limited

Notes to the Financial Statements for the Year Ended 29 February 2024

1 General information

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

The address of its registered office is:

Caeremlyn
Henllan Amgoed
Whitland
Carmarthenshire
SA34 0SJ

These financial statements were authorised for issue by the Board on 20 November 2024.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

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.

Tax

The tax expense for the period comprises 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.

Henllan Farms Limited

Notes to the Financial Statements for the Year Ended 29 February 2024

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:

Asset class	Depreciation method and rate
Plant and machinery	10% reducing balance
Motor vehicles	20% reducing balance
Tractors	10% reducing balance

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
Milk quota	20% straight line basis

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 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 inventories 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.

Henllan Farms Limited

Notes to the Financial Statements for the Year Ended 29 February 2024

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.

Trade 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.

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.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 3 (2023 - 3).

4 Loss before tax

Arrived at after charging/(crediting)

	2024	2023
	£	£
Depreciation expense	19,942	22,242

Henllan Farms Limited

Notes to the Financial Statements for the Year Ended 29 February 2024

5 Intangible assets

	Milk quota £	Total £
Cost or valuation		
At 1 March 2023	192,963	192,963
At 29 February 2024	192,963	192,963
Amortisation		
At 1 March 2023	192,963	192,963
At 29 February 2024	192,963	192,963
Carrying amount		
At 29 February 2024	-	-

6 Tangible assets

	Land and buildings £	Agricultural buildings £	Tractors £	General equipment £
Cost or valuation				
At 1 March 2023	1,489,755	176,416	141,840	776,213
Additions	-	-	-	807
At 29 February 2024	1,489,755	176,416	141,840	777,020
Depreciation				
At 1 March 2023	-	-	84,735	641,793
Charge for the year	-	-	5,711	13,462
At 29 February 2024	-	-	90,446	655,255
Carrying amount				
At 29 February 2024	1,489,755	176,416	51,394	121,765
At 28 February 2023	1,489,755	176,416	57,105	134,420

Henllan Farms Limited

Notes to the Financial Statements for the Year Ended 29 February 2024

	Motor vehicles £	Total £
Cost or valuation		
At 1 March 2023	22,924	2,607,148
Additions	-	807
At 29 February 2024	22,924	2,607,955
Depreciation		
At 1 March 2023	19,078	745,606
Charge for the year	769	19,942
At 29 February 2024	19,847	765,548
Carrying amount		
At 29 February 2024	3,077	1,842,407
At 28 February 2023	3,846	1,861,542

Included within the net book value of land and buildings above is £1,489,755 (2023 - £1,489,755) in respect of land and buildings and £176,416 (2023 - £176,416) in respect of agricultural buildings.

7 Stocks

	2024 £	2023 £
Closing deadstock	1,500	1,500

8 Debtors

	2024 £	2023 £
Other debtors	-	48

Henllan Farms Limited

Notes to the Financial Statements for the Year Ended 29 February 2024

9 Creditors

Creditors: amounts falling due within one year

	Note	2024 £	2023 £
Due within one year			
Trade creditors		482	5,241
Taxation and social security		6,842	5,974
Other related parties		153,473	58,400
Other creditors		2,179	3,295
		<u>162,976</u>	<u>72,910</u>

Creditors: amounts falling due after more than one year

	Note	2024 £	2023 £
Due after one year			
Loans and borrowings	11	<u>671,998</u>	<u>719,402</u>

10 Share capital

Allotted, called up and fully paid shares

	2024		2023	
	No.	£	No.	£
Ordinary of £1 each	52	52	52	52
Preference of £1 each	500,000	500,000	500,000	500,000
Ordinary B of £1 each	24	24	24	24
Ordinary C of £1 each	24	24	24	24
	<u>500,100</u>	<u>500,100</u>	<u>500,100</u>	<u>500,100</u>

11 Loans and borrowings

	2024 £	2023 £
Non-current loans and borrowings		
Bank borrowings	<u>671,998</u>	<u>719,402</u>

Henllan Farms Limited

Notes to the Financial Statements for the Year Ended 29 February 2024

12 Related party transactions

Transactions with directors

	At 1 March 2023 £	Advances to director £	Repayments by director £	Other payments made to company by director £	At 29 February 2024 £
2024					
Mr E J T Davies					
Interest free loan	(29,200)	9	(6,491)	(37,709)	(73,391)

Mrs M E Davies					
Interest free loan	(29,200)	9	(6,491)	(37,709)	(73,391)

	At 1 March 2022 £	Repayments by director £	Other payments made to company by director £	At 28 February 2023 £
2023				
Mr E J T Davies				
Interest free loan	15,161	(15,161)	(29,200)	(29,200)

Mrs M E Davies				
Interest free loan	15,161	(15,161)	(29,200)	(29,200)