

REGISTERED NUMBER: 08764950 (England and Wales)

Unaudited Financial Statements
for the Year Ended 31 May 2021
for
A & C Poultry Ltd

A & C Poultry Ltd (Registered number: 08764950)

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for the Year Ended 31 May 2021**

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A & C Poultry Ltd

**Company Information
for the Year Ended 31 May 2021**

DIRECTORS:	CD Watts AJ Watts DF Watts Mrs SL Watts
REGISTERED OFFICE:	Little Froome Farm Avenbury Bromyard HR7 4RX
BUSINESS ADDRESS:	Lower Crundeland Farm Stanford Bridge Worcestershire WR6 6RU
REGISTERED NUMBER:	08764950 (England and Wales)
ACCOUNTANTS:	The Hutchinson Partnership Limited trading as The Hutchinson Partnership Chartered Accountants The Bull Pen Grove Farm Portway, Burghill Hereford HR4 8NF

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
A & C Poultry Ltd**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Statement of Income and Retained Earnings and certain other primary statements and the Directors' Report are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A & C Poultry Ltd for the year ended 31 May 2021 which comprise the Statement of Income and Retained Earnings, Balance Sheet and the related notes 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 within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of A & C Poultry Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of A & C Poultry Ltd and state those matters that we have agreed to state to the Board of Directors of A & C Poultry Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A & C Poultry Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that A & C Poultry Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of A & C Poultry Ltd. You consider that A & C Poultry Ltd 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 financial statements of A & C Poultry Ltd. 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 financial statements.

The Hutchinson Partnership Limited
trading as The Hutchinson Partnership
Chartered Accountants
The Bull Pen
Grove Farm
Portway, Burghill
Hereford
HR4 8NF

4 January 2022

A & C Poultry Ltd (Registered number: 08764950)**Balance Sheet
31 May 2021**

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		4,234,346		4,461,497
CURRENT ASSETS					
Stocks		7,572		155,241	
Debtors	5	102,615		185,155	
Cash at bank		<u>140,499</u>		<u>-</u>	
		250,686		340,396	
CREDITORS					
Amounts falling due within one year	6	<u>372,912</u>		<u>555,997</u>	
NET CURRENT LIABILITIES			<u>(122,226)</u>		<u>(215,601)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,112,120		4,245,896
CREDITORS					
Amounts falling due after more than one year	7		(3,802,909)		(4,092,852)
PROVISIONS FOR LIABILITIES			<u>(162,213)</u>		<u>(105,082)</u>
NET ASSETS			<u><u>146,998</u></u>		<u><u>47,962</u></u>
CAPITAL AND RESERVES					
Called up share capital			1,000		1,000
Retained earnings			<u>145,998</u>		<u>46,962</u>
SHAREHOLDERS' FUNDS			<u><u>146,998</u></u>		<u><u>47,962</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

A & C Poultry Ltd (Registered number: 08764950)

Balance Sheet - continued
31 May 2021

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 18 December 2021 and were signed on its behalf by:

CD Watts - Director

AJ Watts - Director

A & C Poultry Ltd (Registered number: 08764950)

**Notes to the Financial Statements
for the Year Ended 31 May 2021**

1. STATUTORY INFORMATION

A & C Poultry Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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 the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The directors are aware that the company has net current liabilities. The directors are confident that the company will continue to trade profitably in future and will be able to trade within its agreed finance facilities for the next 12 months. They have also confirmed that they will not withdraw their loan accounts to the detriment of other creditors within this period. COVID-19 has not had significant impact on the trade. The directors therefore consider it appropriate to prepare accounts on the going concern basis.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- straight line over 100 years
Improvements to property	- 4% on cost
Plant and machinery	- 15% on reducing balance, 6.67% on cost, 5% on cost and 4% on cost

No depreciation is charged on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

The company has the following biological assets which are valued as disclosed:

Livestock - poultry - valued at cost amortised over the productive life of the bird.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A & C Poultry Ltd (Registered number: 08764950)**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021****2. ACCOUNTING POLICIES - continued****Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES

The average number of employees during the year was 12 (2020 - 12).

4. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £	Totals £
COST				
At 1 June 2020	1,468,601	872,066	2,981,636	5,322,303
Additions	2,392	-	7,516	9,908
Disposals	-	-	(2,900)	(2,900)
At 31 May 2021	<u>1,470,993</u>	<u>872,066</u>	<u>2,986,252</u>	<u>5,329,311</u>
DEPRECIATION				
At 1 June 2020	8,920	152,399	699,487	860,806
Charge for year	3,944	34,883	195,767	234,594
Eliminated on disposal	-	-	(435)	(435)
At 31 May 2021	<u>12,864</u>	<u>187,282</u>	<u>894,819</u>	<u>1,094,965</u>
NET BOOK VALUE				
At 31 May 2021	<u>1,458,129</u>	<u>684,784</u>	<u>2,091,433</u>	<u>4,234,346</u>
At 31 May 2020	<u>1,459,681</u>	<u>719,667</u>	<u>2,282,149</u>	<u>4,461,497</u>

Included in the cost of freehold property is freehold land of £1,076,582 (2020 - £1,076,582) which is not depreciated.

A & C Poultry Ltd (Registered number: 08764950)**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021****4. TANGIBLE FIXED ASSETS - continued**

The net book value of tangible fixed assets includes £ 67,211 (2020 - £ 70,945) in respect of assets held under hire purchase contracts.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	71,742	156,603
Prepayments	25,537	28,552
Corporation tax	<u>5,336</u>	<u>-</u>
	<u><u>102,615</u></u>	<u><u>185,155</u></u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	255,833	276,919
Hire purchase contracts	11,461	10,799
Trade creditors	22,851	201,361
Social security and other taxes	1,988	2,080
VAT	12,503	10,575
Directors' current accounts	63,294	49,721
Accruals and deferred income	3,500	3,060
Deferred government grants	<u>1,482</u>	<u>1,482</u>
	<u><u>372,912</u></u>	<u><u>555,997</u></u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Bank loans - 2-5 years	1,023,333	906,000
Bank loans more than 5 years	2,617,350	2,661,141
Bank loans more 5 yrs non-inst	101,187	451,729
Hire purchase contracts	44,731	56,192
Deferred government grants	<u>16,308</u>	<u>17,790</u>
	<u><u>3,802,909</u></u>	<u><u>4,092,852</u></u>

Amounts falling due in more than five years:

Repayable otherwise than by instalments		
Bank loans more 5 yrs non-inst	<u>101,187</u>	<u>451,729</u>
Repayable by instalments		
Bank loans more than 5 years	<u><u>2,617,350</u></u>	<u><u>2,661,141</u></u>

A & C Poultry Ltd (Registered number: 08764950)**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021****8. SECURED DEBTS**

The following secured debts are included within creditors:

	2021 £	2020 £
Bank overdraft	-	60,419
Bank loans	<u>3,997,703</u>	<u>4,235,370</u>
	<u>3,997,703</u>	<u>4,295,789</u>

The bank loans are secured against land and property at Little Froome Farm, Bromyard owned by DF and Mrs SL Watts; land, agricultural buildings and a residential farmhouse at Lower Crundeland Farm, Stanford Bridge; 63 acres of land at Upton Snodsbury and a floating charge over the assets of the company.

A personal guarantee limited to £1,200,000 has been provided by DF and Mrs SL Watts against the AMC loans.

Hire purchase agreements are secured against the assets that they relate to.

9. PROVISIONS FOR LIABILITIES

	2021 £	2020 £
Deferred tax		
Accelerated Capital Allowances	206,995	210,161
Revenue losses	<u>(44,782)</u>	<u>(105,079)</u>
	<u>162,213</u>	<u>105,082</u>
		Deferred tax £
Balance at 1 June 2020		105,082
Provided during year		<u>57,131</u>
Balance at 31 May 2021		<u>162,213</u>

