

Carrs Agriculture Limited  
Annual report and unaudited financial statements  
for the year ended 31 August 2024  
(Registration number: 00480342)



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for the year ended 31 August 2024  
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# Carrs Agriculture Limited

## Strategic report for the year ended 31 August 2024

### Principal activity

The principal activity of the company is the supply of agricultural products.

### Review of business

The results of the company show a loss before taxation of 3,541,318 (2023 profit before taxation: £829,273) for the year and turnover of £31,668,024 (2023 restated: £30,384,031). The results in the year include an impairment charge of £6,304,124 (2023: £3,067,781) against the carrying value of the company's subsidiary undertakings (Note 10).

Focus during the year was on optimising performance and future prospects through in-depth analysis of the business and the optimisation of margins and performance through market share, operating efficiency, and *purchasing optimisation*. Revenue increased on the prior year representing a volume increase offset by reductions in pricing due to movements in raw material pricing.

### Prior year restatement

Details of the prior year restatement can be found in note 23.

### Key Performance indicators ("KPIs")

The company's directors believe that the most significant KPI is profit before taxation as shown in the profit and loss account and other comprehensive income on page 4.

### Future developments

The company continues to seek opportunities for growth across its products and markets.

### Going concern

The directors have a reasonable expectation that the company has sufficient financial resources to meet its obligations as they fall due for at least the next twelve months. The directors have therefore concluded that it is appropriate to prepare these financial statements on the going concern basis. Further details can be found in the going concern section of the statement of accounting policies on page 8.

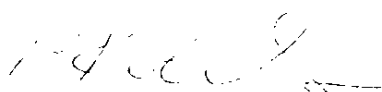
### Climate change

The company is committed to reducing carbon emissions wherever possible. The detailed disclosure requirements of the Streamlined Energy and Carbon Reporting requirements are covered in the ultimate parent company's annual report.

### Principal risks and uncertainties

The company's principal risks and uncertainties are discussed in the Directors' report on page 2.

By order of the Board on 22 May 2025 and signed on its behalf by:



P Robertson  
Company Secretary

# Carrs Agriculture Limited

## Directors' report for the year ended 31 August 2024

The directors present their report and the unaudited financial statements of the company for the year ended 31 August 2024. The comparative year is the year ended 2 September 2023.

### **Principal risks and uncertainties**

The principal business risks affecting the company are managed at a group level. For this reason, the directors believe that a discussion of the company's risks would not be appropriate for an understanding of the development, performance or position of the company's business. The principal business risks are discussed on pages 28 to 31 of the ultimate parent company's annual report.

*The company's activities expose it to a variety of financial risks. The Board reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained unchanged throughout the year.*

#### *Credit risk*

The company has no significant concentrations of credit risk. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers.

In relation to trade debtors, the major source of estimation uncertainty is the recoverable value of those debtors. The judgements applied to this include the credit quality of customers, taking into account their financial positions, past experiences and other relevant factors. Individual customer credit limits are imposed based on these factors, and provisions for impairment are made using those judgements. Provisions for impairment are reviewed monthly by management.

#### *Price risk*

The company is not exposed to equity securities price risk.

#### *Market risk*

Market risk is the risk that changes in foreign exchange rates (currency risk) and interest rates (interest rate risk) will affect income or the value of financial assets and liabilities. The company finances its operations through a mixture of retained earnings and borrowings. The company borrows at fixed and floating rates of interest.

#### *Currency risk*

The company publishes its financial statements in Sterling but conducts business in some foreign currencies.

### **Results and dividends**

The results for the year are set out on page 4.

Dividends of £nil have been paid during the year (2023: £3,474,622). The proposed final dividend in respect of the year ended 31 August 2024 is £nil (2023: £nil). The financial statements do not reflect this proposed final dividend within creditors.

# Carrs Agriculture Limited

## Directors' report for the year ended 31 August 2024 (continued)

### Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

H W Morris (resigned 7 February 2024)

D A White

J K Hoopes (appointed 10 June 2024)

### Third party indemnity

The company has maintained a directors' and officers' liability insurance policy throughout the year and up to the date of signing the financial statements, which is classed as a qualifying third party indemnity provision for the purposes of the Companies Act 2006. Neither the company's indemnity nor insurance provides cover in the event that a director is proved to have acted fraudulently or dishonestly. No claims have been made either under the indemnity or the insurance policy.

### Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

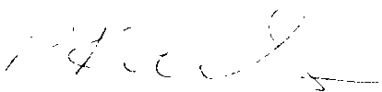
The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board on 22 May 2025 and signed on its behalf by:



P Robertson

**Company Secretary**

Registered Office address: Warwick Mill Business Centre, Warwick Bridge, Carlisle, Cumbria CA4 8RR

## Carrs Agriculture Limited

### Profit and loss account and other comprehensive income for the year ended 31 August 2024

	Note	2024 £	(restated) 2023 £
<b>Continuing operations</b>			
Turnover	1	31,668,024	30,384,031
Cost of sales		(27,798,881)	(26,009,657)
<b>Gross profit</b>		<b>3,869,143</b>	<b>4,374,374</b>
Distribution costs		(440,112)	(348,311)
Administrative expenses		(269,349)	(161,041)
Other operating income	2	-	191,513
Adjusting items – administrative expenses	2	(6,588,011)	(3,067,781)
<b>Operating (loss)/profit</b>	2	<b>(3,428,329)</b>	<b>988,754</b>
Interest receivable and similar income	4	10,964	10,291
Interest payable and similar expenses	4	(123,953)	(169,772)
<b>(Loss)/profit before taxation</b>		<b>(3,541,318)</b>	<b>829,273</b>
Tax on (loss)/profit	5	(423,756)	(493,048)
<b>(Loss)/profit for the financial year</b>		<b>(3,965,074)</b>	<b>336,225</b>

There is no other comprehensive income for the current or prior year.

Further details of the prior year restatement can be found in note 23.

# Carrs Agriculture Limited

## Balance sheet as at 31 August 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	7	2,039,119	2,039,119
Tangible assets	8	2,808,690	2,901,249
Right-of use assets	9	478,387	626,230
Investments	10	784,547	7,088,671
		<b>6,110,743</b>	12,655,269
<b>Current assets</b>			
Stocks	11	6,337,941	6,888,931
Debtors	12	6,067,646	5,741,866
Cash at bank and in hand		578,639	216,849
		<b>12,984,226</b>	12,847,646
<b>Creditors: amounts falling due within one year</b>	13	<b>(5,125,010)</b>	(7,457,686)
<b>Net current assets</b>		<b>7,859,216</b>	5,389,960
<b>Total assets less current liabilities</b>		<b>13,969,959</b>	18,045,229
<b>Creditors: amounts falling due after more than one year</b>	14	<b>(291,372)</b>	(454,527)
<b>Provisions for liabilities</b>	17	<b>(205,290)</b>	(174,259)
<b>Net assets</b>		<b>13,473,297</b>	17,416,443
<b>Capital and reserves</b>			
Called up share capital	18	11,872,206	11,872,206
Capital redemption reserve		6,181	6,181
Equity compensation reserve		21,162	36,457
Profit and loss account		1,573,748	5,501,599
<b>Total equity</b>		<b>13,473,297</b>	17,416,443

For the financial year ended 31 August 2024 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary 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.

The financial statements on pages 4 to 32 were approved by the Board of directors on 22 May 2025 and were signed on its behalf by:

D A White  
Director

Registered Number 00480342

## Carrs Agriculture Limited

### Statement of changes in equity for the year ended 31 August 2024

	Called up share capital	Capital redemption reserve	Equity compensation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 4 September 2022	11,872,206	6,181	36,551	8,630,632	20,545,570
Profit for the financial year	-	-	-	336,225	336,225
Equity settled share based payment transactions	-	-	9,270	-	9,270
Dividends paid (Note 6)	-	-	-	(3,474,622)	(3,474,622)
Transfer between reserves	-	-	(9,364)	9,364	-
At 2 September 2023	11,872,206	6,181	36,457	5,501,599	17,416,443
At 3 September 2023	<b>11,872,206</b>	<b>6,181</b>	<b>36,457</b>	<b>5,501,599</b>	<b>17,416,443</b>
Loss for the financial year	-	-	-	(3,965,074)	(3,965,074)
Equity settled share based payment transactions	-	-	21,928	-	21,928
Transfer between reserves	-	-	(37,223)	37,223	-
<b>At 31 August 2024</b>	<b>11,872,206</b>	<b>6,181</b>	<b>21,162</b>	<b>1,573,748</b>	<b>13,473,297</b>

# Carrs Agriculture Limited

## Statement of accounting policies

The principal accounting policies adopted in the preparation of these unaudited financial statements are set out below.

These policies have been consistently applied to both the current and prior year, unless otherwise stated.

### **Basis of preparation**

The company is a private limited liability company incorporated and domiciled in England and Wales. The company is limited by shares. The address of its registered office is Warwick Mill Business Centre, Warwick Bridge, Carlisle, Cumbria CA4 8RR.

The financial statements have been prepared on a going concern basis and under the historical cost convention. These financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular, Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The company is a qualifying entity for the purpose of FRS 101. Note 22 gives details of the company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

The company has adopted the intermediate parent exemption under section 400 of the Companies Act 2006 whereby it is not required to prepare consolidated financial statements as the ultimate parent company prepares publicly available consolidated financial statements in accordance with IFRS.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Certain disclosures regarding revenue;
- Comparative period reconciliations for share capital, intangible assets and tangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Carr's Group plc, the ultimate parent company of Carrs Agriculture Limited, include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the company; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments Disclosures.

# **Carrs Agriculture Limited**

## **Statement of accounting policies (continued)**

### **Basis of preparation (continued)**

The preparation of financial statements in conformity with FRS 101 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities as the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Significant judgements and estimates are outlined at the end of the statement of accounting policies.

### **Going concern**

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Company is a cross guarantor for the Carr's Group plc ("The Group") banking facility and as such the going concern status of the Company is reliant on the going concern status of the Group.

The Group has prepared cash flow forecasts for the period to 31 August 2027, taking account of reasonably possible changes in trading performance. The Group is expected to have a sufficient level of financial resources available through operating cash flows, cash generated from the sale of the Engineering division and bank facilities for the period to the end of May 2026 ("the going concern period"). The Group's banking facilities remain in place until December 2026 but have been reduced following completion of the sale of the Engineering division on 22 April 2025. These forecasts indicate that the Group will be able to operate within its banking facilities and accordingly the directors of the company have prepared the financial statements on the going concern basis.

The Group has sensitised the forecasts on a combined basis for severe but plausible downside scenarios. The severe but plausible downside scenarios tested included significant reductions in profitability and cashflows linked to reliance on key customers and customer demand; and supply chain and operations. The results of this stress testing showed that the Group and Company would be able to withstand the impact of these severe but plausible downside scenarios occurring over the going concern period, and that sufficient headroom on the Group's banking covenants is available. In addition to testing these severe but plausible downside scenarios, reverse stress testing was also applied to the sensitised forecasts, to understand what level of downside scenario the Group would not be able to withstand. The scenarios which created going concern uncertainty were deemed extreme and implausible.

The Directors have received confirmation of continuing financial support from the Group's parent Company should it be required. Carr's Group plc has indicated its intention to continue to make available such funds as are needed by the Company, for at least a period of 12 months from the date of approval of these financial statements.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due until the end of May 2026 and therefore have prepared the financial statements on a going concern basis.

### **Turnover recognition**

Turnover is recognised when the company transfers control over a product or service to its customer. Turnover is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises turnover at a point in time.

# Carrs Agriculture Limited

## Statement of accounting policies (continued)

### Foreign currencies

The functional currency and presentation currency of the company is Sterling. Transactions in currencies other than Sterling are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Translation differences resulting from the settlement of such transactions and from the translation at exchange rates ruling at the balance sheet date of monetary assets and liabilities denominated in currencies other than the functional currency are recognised in the profit and loss account.

### Retirement benefit obligations

Employees are members of Carr's Group Pension Scheme, the Carr's Group Retirement Savings Scheme and NEST.

Contributions to the defined benefit pension scheme are across the participating companies. Costs are not defined for each individual company as the company is unable to identify its share of the underlying assets and liabilities in the scheme. Contributions payable by the company are charged to the profit and loss account in the year they fall due.

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

### Adjusting items

Adjusting items that are material by size and/or by nature are highlighted separately on the face of the profit and loss account. Further details of items classified as adjusting items are disclosed within note 2. The separate disclosure of adjusting items is consistent with how business performance is measured internally and is presented to aid comparability of performance.

### Interest

Interest is recognised in the profit and loss account on an accruals basis using the effective interest method.

### Dividends

Dividends payable are recognised in the financial statements in the year in which the dividends are paid or approved by the company's directors, whichever is earlier.

### Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Company's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

# Carrs Agriculture Limited

## Statement of accounting policies (continued)

### Software costs

Software costs incurred as part of a service agreement are only capitalised when it can be evidence that the company has control over the resources defined in the agreement. Software configuration and customisation costs relating to software not controlled by the company are expensed as incurred.

### Tangible assets

Tangible assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost comprises purchase price and directly attributable costs.

Assets not fully constructed at the balance sheet date are classified as assets in the course of construction. When construction is complete these assets are reclassified to the appropriate heading within tangible assets. Depreciation commences when the asset is ready for use.

Land is not depreciated. For all other tangible assets, depreciation is calculated on a straight-line basis to allocate cost less residual values of the assets over their estimated useful lives as follows:

Leasehold improvements	shorter of 50 years or lease term
Plant and machinery	5 to 20 years
Motor vehicles	4 to 5 years

Residual values and useful lives are reviewed at least at each financial year end.

The cost of maintenance, repairs and minor equipment is charged to the profit and loss account as incurred; the cost of major renovations and improvements is capitalised.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the profit and loss account.

### Impairment of fixed assets

Fixed assets are reviewed for impairment where there are any events or changes in circumstances that would indicate potential impairment. In addition, at each reporting date, the company assesses whether there is any indication that goodwill may be impaired. Where an indicator of impairment exists, the company makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is written down to its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use and is deemed for an individual asset. If the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount of the cash generating unit to which the asset belongs is determined. Discount rates reflecting the asset specific risks and the time value of money are used for the value in use calculation.

### Stocks

Stocks are stated at the lower of cost and net realisable value. Cost 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. Where appropriate, cost is calculated on a specific identification basis. Otherwise stocks are valued using the first-in first-out method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

# Carrs Agriculture Limited

## Statement of accounting policies (continued)

### Stocks (continued)

At each reporting date an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

### Leasing

The company leases properties, motor vehicles and minor equipment. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the repayment of the lease liability and finance cost. The finance cost is charged to the profit and loss account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and is also subject to regular impairment reviews.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. Where this cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

After initial measurement the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the fixed lease payments. Right-of-use assets are adjusted for any remeasurement of lease liabilities.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs incurred by the lessee; and
- Restoration costs required by the terms and conditions of the lease.

At the commencement date of property leases the company normally determines the lease term to be the full term of the lease, assuming that any option to break or extend the lease is unlikely to be exercised and it is not reasonably certain that the company will continue in occupation for any period beyond the lease term. Leases are regularly reviewed and will be revalued if it becomes likely that a break clause or option to extend the lease is exercised.

# Carrs Agriculture Limited

## Statement of accounting policies (continued)

### Leasing (continued)

Payments associated with short-term leases and lease of low value assets are recognised on a straight-line basis as an expense in the profit and loss account. Short term leases are lease with a lease term of 12 months or less. Low value assets generally comprise minor office and IT equipment.

### Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates that have been substantively enacted by the balance sheet date.

Deferred tax is provided on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. *Deferred tax arising from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, is not recognised.* Deferred tax is measured using tax rates that have been substantively enacted by the balance sheet date and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Tax is recognised in the profit and loss account.

### Share based payments

The ultimate parent company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of the grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the company's estimate of shares that will eventually vest.

Fair value is measured by use of a valuation model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

At each balance sheet date the ultimate parent company revises its estimate of the number of options that are expected to vest. Changes to the fair value recognised as a result of this are charged or credited to the profit and loss account with a corresponding adjustment to the equity compensation reserve.

### Financial instruments

Financial assets and liabilities are recognised on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

### Trade debtors

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for 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 debtors. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade debtor is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of a provision for impairment and the amount of the loss is recognised in the profit and loss account. The provision is utilised when a trade debtor is irrecoverable.

# Carrs Agriculture Limited

## Statement of accounting policies (continued)

### Trade debtors (continued)

As trade debtors do not carry a significant financing element, expected credit losses are measured using the simplified impairment approach. This requires lifetime losses to be recognised upon the initial recognition of the asset.

### Financial liabilities and equity

#### *Classification of financial instruments issued by the company*

Following the adoption of IAS 32, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand. Bank overdrafts are presented within creditors amounts falling due within one year in the balance sheet. Bank overdrafts are considered to be cash and cash equivalents as they are part of a Group banking facility where bank balances in credit and overdrawn balances are integral to the cash management of the Group and they are therefore used to manage the Group's and company's cash position on a net basis.

### Borrowings

Interest-bearing loans and overdrafts are recognised initially at fair value net of direct issue costs and are subsequently stated at amortised cost. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

### Trade creditors

Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity, as a deduction, net of tax, from the proceeds.

# Carrs Agriculture Limited

## Statement of accounting policies (continued)

### **New standards and interpretations**

From 3 September 2023 the following became effective and were adopted by the company:

- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies (effective 1 January 2023)
- Amendments to IAS 8 – Definition of Accounting Estimates (effective 1 January 2023)
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023)
- Amendments to IAS 12 – International tax reform – pillar two model rules (effective 1 January 2023)
- IFRS 17 – Insurance Contracts, as amended in December 2021 (effective 1 January 2023)

Their adoption did not have a material effect on the company's results for the year or equity.

### **Significant judgements, key assumptions and estimates**

Application of certain company accounting policies requires management to make judgements, assumptions and estimates concerning the future as detailed below.

The following are considered to be accounting estimates.

#### *Impairment of goodwill and non-financial assets*

Non-financial assets are reviewed for impairment where there are any events or changes in circumstances that would indicate potential impairment. In addition, the carrying value of goodwill must be assessed for impairment annually, or more frequently if there are indications that goodwill might be impaired. This requires an estimation of the value in use of the cash generating units to which goodwill is allocated. Value in use is dependent on estimations of future cash flows from the cash generating unit and the use of an appropriate discount rate to discount those cash flows to their present value.

An impairment of £6,304,124 (2023: £3,067,781) against the carrying value of investments in subsidiary undertakings has been identified in the current year. See note 10 for further details.

There is no impairment recognised in respect of goodwill in either the current or prior period. The carrying value of goodwill at the year end is £2,039,119 (2023: £2,039,119). Further details of cash generating units can be found in note 7.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024

### 1 Turnover

At 31 August 2024, all of the activities of the company fall into one class of business, namely the supply of agricultural products. All activities originated in the United Kingdom. Under IFRS 15 the company's turnover is recognised at a point in time.

### 2 Operating profit

	2024	2023
	£	£
The following items have been included in arriving at operating profit:		
Staff costs (Note 3)	3,537,571	3,556,667
Depreciation of tangible assets (Note 8)	288,309	298,021
Profit on disposal of tangible assets	-	(1,600)
Depreciation of right-of-use assets (Note 9)	190,568	195,664
Profit on disposal of right-of-use assets	(308)	-
Foreign exchange losses	11,173	15,445
Dividends received	-	(191,513)
<u>Adjusting items:</u>		
Restructuring/redundancy costs	283,887	-
Impairment of investment in subsidiaries (Note 10)	6,304,124	3,067,781

During the year an impairment of £4,262,356 and £2,041,768 was recognised against the carrying value of the company's investment in Animax Limited and Carr's Supplements (NZ) Limited respectively.

During the prior year an impairment was recognised against the carrying value of the company's investment in its subsidiary Animax Limited.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 3 Employees and directors

Staff costs for the company during the year	2024	2023
	£	£
Wages and salaries	3,005,698	2,933,231
Social security costs	295,391	342,924
Share based payments expense	21,928	9,270
Pension costs (Note 15)	214,554	271,242
	<b>3,537,571</b>	<b>3,556,667</b>

The average monthly number of people employed by the company was:

By activity	2024	2023
	Number	Number
Sales, office and management	23	31
Manufacturing and distribution	55	47
	<b>78</b>	<b>78</b>

Directors' emoluments	2024	2023
	£	£
Salaries and short term benefits	228,686	129,903
Fair value credit on share based payments	-	(10,714)
Pension costs	26,788	16,893
	<b>255,474</b>	<b>136,082</b>

The above amounts are in respect of one director (2023: one). All of the other directors are remunerated by the parent company and details of such remuneration can be found in the publicly available Annual Report and Accounts of the parent company. Accordingly, the above details include no emoluments in respect of these directors.

In the year retirement benefits are in respect of one (2023: one) director under a defined contribution pension scheme.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 3 Employees and directors (continued)

Highest paid director	2024	2023
	£	£
Remuneration	228,686	119,189
Pension contributions	26,788	16,893
	<b>255,474</b>	<b>136,082</b>

During the year no (2023: no) share options were exercised by the highest paid director.

### 4 Interest receivable and interest payable

	2024	2023
	£	£
<b>Interest receivable and similar income</b>		
Bank interest	8,031	6,218
Other interest receivable	2,933	4,073
<b>Total interest receivable</b>	<b>10,964</b>	<b>10,291</b>
<b>Interest payable and similar expenses</b>		
Bank interest	(106,364)	(149,545)
Interest payable on leases	(17,589)	(20,227)
<b>Total interest payable</b>	<b>(123,953)</b>	<b>(169,772)</b>

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 5 Tax on (loss)/profit

Analysis of charge in year	2024	2023
	£	£
Current tax:		
Current tax expense	350,606	459,636
Adjustments in respect of prior years	42,119	15,689
	<b>392,725</b>	475,325
Deferred tax (Note 17):		
Origination and reversal of timing differences	37,591	39,399
Adjustments in respect of prior years	(6,560)	(21,676)
	<b>31,031</b>	17,723
<b>Taxation</b>	<b>423,756</b>	493,048

The tax for the year is higher (2023: higher) than the standard rate of corporation tax in the UK of 25.0% (2023: 21.5%). The differences are explained below:

	2024	2023
	£	£
<b>(Loss)/profit before taxation</b>	<b>(3,541,318)</b>	829,273
(Loss)/profit before taxation multiplied by the standard rate of corporation tax in the UK of 25.0% (2023: 21.5%)	<b>(885,330)</b>	178,294
<i>Effects of:</i>		
Adjustments in respect of prior years	35,559	(5,987)
Income not taxable for tax purposes	<b>(338,423)</b>	(370,790)
Expenses not deductible for tax purposes	<b>1,611,950</b>	686,015
Effect of deferred tax rate	-	5,516
<b>Total tax charge for the year</b>	<b>423,756</b>	493,048

Income not taxable for tax purposes includes the effect of income within the patent box regime. In the prior year it also includes dividend income from UK subsidiaries.

In both years presented expenses not deductible for tax purposes includes the impairment of the investment in subsidiaries.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 6 Dividends

	2024	2023
	£	£
Dividend of £nil (2023: £0.29) per ordinary share	-	3,474,622

The Directors are proposing a final dividend of £nil (2023: £nil) being £nil per share (2023: £nil per share). The financial statements do not reflect this proposed final dividend within creditors.

### 7 Intangible assets

	Goodwill £
<b>Cost and net book amount</b>	
At 2 September 2023	2,039,119
<b>At 31 August 2024</b>	<b>2,039,119</b>

The carrying value of goodwill has been allocated to the following cash generating units:

	2024	2023
	£	£
Scotmin profit centre	2,039,119	2,039,119

The recoverable amount of the cash generating unit is in excess of the carrying value and is determined through reference to its value in use.

Departure from the historical cost accounting rules:

Goodwill is tested annually for impairment, or more frequently if these are indicators that goodwill might be impaired. Goodwill is tested for impairment by estimating future cash flows from the cash generating units to which goodwill has been allocated and discounting these cash flows to their present value. This accounting policy represents a departure from the historical cost accounting rules and, in particular, paragraph 22 of Schedule 1 of the Companies Act 2006, which requires goodwill to be reduced by provisions for depreciation calculated to write off the amount systematically over a year chosen by the directors, not exceeding its useful economic life.

However, the directors consider that these requirements would fail to provide a true and fair view of the profit for the year and the balances carried forward in the financial statements in relation to acquisitions.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 8 Tangible assets

	Leasehold improvements	Plant and machinery	Motor vehicles	Assets in the course of construction	Total
	£	£	£	£	£
<b>Cost</b>					
At 3 September 2023	2,372,133	5,529,265	343,403	-	8,244,801
Additions at cost	-	158,360	-	37,390	195,750
Disposals	-	(103,739)	-	-	(103,739)
<b>At 31 August 2024</b>	<b>2,372,133</b>	<b>5,583,886</b>	<b>343,403</b>	<b>37,390</b>	<b>8,336,812</b>
<b>Accumulated depreciation and impairment</b>					
At 3 September 2023	427,452	4,696,342	219,758	-	5,343,552
Depreciation charge for the year	76,534	175,229	36,546	-	288,309
Disposals	-	(103,739)	-	-	(103,739)
<b>At 31 August 2024</b>	<b>503,986</b>	<b>4,767,832</b>	<b>256,304</b>	<b>-</b>	<b>5,528,122</b>
<b>Net book amount</b>					
<b>At 31 August 2024</b>	<b>1,868,147</b>	<b>816,054</b>	<b>87,099</b>	<b>37,390</b>	<b>2,808,690</b>
At 2 September 2023	1,944,681	832,923	123,645	-	2,901,249

Depreciation is recognised within cost of sales.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 9 Right-of-use assets and lease liabilities

Amounts recognised in the balance sheet

	Land and buildings	Plant, equipment and vehicles	Total
	£	£	£
<b>Cost</b>			
At 3 September 2023	408,743	727,247	1,135,990
Additions	-	51,911	51,911
Disposals	-	(81,512)	(81,512)
<b>At 31 August 2024</b>	<b>408,743</b>	<b>697,646</b>	<b>1,106,389</b>
<b>Accumulated depreciation and impairment</b>			
At 3 September 2023	135,273	374,487	509,760
Depreciation charge for the year	53,801	136,767	190,568
Disposals	-	(72,326)	(72,326)
<b>At 31 August 2024</b>	<b>189,074</b>	<b>438,928</b>	<b>628,002</b>
<b>Net book amount</b>			
<b>At 31 August 2024</b>	<b>219,669</b>	<b>258,718</b>	<b>478,387</b>
At 2 September 2023	273,470	352,760	626,230
		<b>2024</b>	<b>2023</b>
Lease liabilities		£	£
Creditors: amounts falling due within one year (Note 13)		<b>175,488</b>	191,489
Creditors: amounts falling due after more than one year (Note 14)		<b>291,372</b>	439,527
		<b>466,860</b>	631,016

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 9 Right-of-use assets and lease liabilities (continued)

The remaining contractual maturities of the lease liabilities, which are gross and undiscounted, are as follows:

	2024	2023
	£	£
Less than one year	188,154	213,630
One to two years	109,408	174,075
Two to three years	54,510	92,099
Three to four years	39,202	41,609
Four to five years	35,000	35,000
More than five years	61,543	113,750
	<b>487,817</b>	<b>670,163</b>

#### Amounts recognised in the profit and loss account

The profit and loss account shows the following amounts relating to leases:

	2024	2023
	£	£
Depreciation	190,568	195,664
Profit on disposal	(308)	-
Interest expense	17,589	20,227
	<b>207,849</b>	<b>215,891</b>

Amounts in respect of short-term leases and low value assets are immaterial and have therefore not been included in the table above. There is no expense recognised in the profit and loss account in respect of variable lease payments that are not included in the measurement of the lease liabilities.

The total cash outflow for leases in the year was £224,162 (2023: £194,217).

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 10 Investments

	Investments in subsidiary undertakings £
<b>Cost</b>	
<b>At 3 September 2023 and at 31 August 2024</b>	<b>10,147,549</b>
<b>Provision for impairment</b>	
At 3 September 2023	3,067,781
Impairment	6,304,124
<b>At 31 August 2024</b>	<b>9,371,905</b>
<b>Net book amount</b>	
<b>At 31 August 2024</b>	<b>775,644</b>
At 2 September 2023	7,079,768

Investments in subsidiary undertakings are stated at cost. During the current year an impairment charge of £4,262,356 and £2,041,768 was recognised in respect of Animax Limited and Carr's Supplements (NZ) Limited respectively. The Animax Limited site is expected to be closed over the summer of 2025 and as a result the carrying value of the cost of investment in Animax Limited has been impaired down to the expected recoverable amount of the net assets in Animax Limited. Carr's Supplements (NZ) Limited's operations have closed with Carrs Agriculture Limited now exporting its products direct to customers in New Zealand. As a result the carrying value of the cost of investment in this company has also been impaired down to the expected recoverable amount.

During the prior year an impairment was recognised against the carrying value of the investment in Animax Limited following a review of expected future discounted cash flows.

A list of subsidiary undertakings is given below:

	Country of incorporation	Country of operation	% holding	Class of share	Nature of business
Carr's Supplements (NZ) Limited	New Zealand	New Zealand	100	Ordinary	Distributor of animal feed blocks <sup>1</sup>
Animax Limited	England	UK	100	Ordinary	Manufacture of animal health products
Animax NZ Limited	New Zealand	New Zealand	100	Ordinary	Dormant
Conegar S.A.	Uruguay	Uruguay	100	Ordinary	Dormant

<sup>1</sup> During the year ended 31 August 2024. Since the year end the company is now not actively trading.

All holdings are of ordinary share classes.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 10 Investments (continued)

Carr's Supplements (NZ) Limited has a registered office address of 123 Burnett Street, Ashburton, 7700, New Zealand. Conegar S.A. has a registered office address of Juncal 1305, Piso 18, Montevideo, Uruguay. The registered office address of Animax Limited is Shepherds Grove West, Stanton, Bury St Edmunds, Suffolk, IP31 2AR. The registered office address of Animax NZ Limited is RSM New Zealand (Auckland), Level 2, 62 Highbrook Drive, East Tamaki, Auckland 2013, New Zealand.

#### Interest in joint venture

	£
<b>Cost and net book amount</b>	
<b>At 3 September 2023 and 31 August 2024</b>	<b>4,050</b>

The company holds 50% of the issued share capital of Silloth Storage Company Limited. The investment in the joint venture is stated at cost. The principal activity of the joint venture is the storage of molasses. Of the remaining 50%, 48% is held by Peter Cremer GmbH and 2% is held by Prime Molasses Limited. The registered office address for the joint venture is 5c Business Park, 1 Concorde Drive, Clevedon, Bristol BS21 6UH.

#### Other investments

	£
<b>Cost and net book amount</b>	
<b>At 3 September 2023 and 31 August 2024</b>	<b>4,853</b>

Other investments principally comprise ordinary shares in several private companies in the agricultural sector.

### 11 Stocks

	2024	2023
	£	£
Raw materials and consumables	2,116,758	2,442,011
Finished goods	4,221,183	4,446,920
	<b>6,337,941</b>	<b>6,888,931</b>

Stocks are stated after a provision for impairment of £109,484 (2023: £139,085). £29,601 (2023: £148,160) has been recognised as a credit within the profit and loss account in respect of stock write-downs. This is included within cost of sales. The cost of stocks recognised as an expense and included in cost of sales during the year is £26,523,774 (2023: £24,820,684).

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 12 Debtors

	2024	2023
	£	£
Amounts receivable within one year:		
Trade debtors	2,534,091	2,515,328
Less: Provision for impairment of trade debtors	(29,509)	(43,591)
Trade debtors – net	2,504,582	2,471,737
Amounts owed by group undertakings	2,207,708	2,402,433
Amounts owed by joint ventures (Note 21)	177,684	-
Other taxes and social security	544,061	489,243
Other debtors	127,889	45,000
Current tax assets	220,758	47,517
Prepayments and accrued income	284,964	285,936
	<b>6,067,646</b>	<b>5,741,866</b>

The movement in the provision for impaired trade debtors consists of increases for additional provisions offset by debtors written off and unused provision released back to the profit and loss account. The provision is utilised when there is no expectation of recovering additional cash.

A credit of £14,082 (2023: £46,008) is recognised within administrative expenses in the profit and loss account in respect of the provision for impairment of trade debtors. There is no impairment of other debtors to be recognised in the current or preceding year.

The amounts owed by group undertakings are unsecured, interest free and have no fixed repayment date.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 13 Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank overdraft	744,102	3,804,968
Leases (Note 9)	175,488	191,489
Trade creditors	2,671,526	1,787,085
Amounts owed to group undertakings	324,644	509,602
Current tax creditor – group tax relief	345,955	459,636
Other taxes and social security	9,854	9,855
Other creditors	43,384	-
Accruals and deferred income	810,057	695,051
	<b>5,125,010</b>	<b>7,457,686</b>

The bank overdraft is secured under a cross guarantee (note 20). Amounts owed to group undertakings includes trade balances in the normal course of business which are interest free and unsecured.

### 14 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Leases (Note 9)	291,372	439,527
Deferred income	-	15,000
	<b>291,372</b>	<b>454,527</b>

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 15 Retirement benefits

#### (a) Carr's Group Pension Scheme

The company participates in a group pension scheme operated by Carr's Group plc, its ultimate parent company. The pension scheme offered a defined benefit and a defined contribution section. The defined benefit section shares risks between entities under common control. The assets of the scheme are held separately from those of the sponsoring company and are invested with independent investment managers.

From 1 September 2015 the defined contribution section was closed. Members of that section were enrolled in a new defined contribution scheme, the Carr's Group Retirement Savings Scheme (Carr's Group RSS), set up under a Master Trust arrangement.

The defined benefit section of the scheme was previously closed to new members, and has closed to future accrual with effect from 31 December 2015. Members of this section became entitled to become members of the Carr's Group RSS from 1 January 2016. The pension expense for the defined benefit section of the scheme for the year was £nil (2023: £nil).

The defined benefit section of the scheme is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Common contribution rates apply across the Carr's Group plc group as a whole. The last finalised full actuarial assessment of the scheme was at 31 December 2023.

There is neither a contractual agreement nor a stated policy for allocating the net defined benefit cost to the individual group entities. Costs are not defined for each individual company as the company is unable to identify its underlying share of the pension scheme assets and liabilities in the scheme. Accordingly, the net defined benefit cost for the scheme as a whole is recognised in the financial statements of Carr's Group plc, the sponsoring employer of the scheme. Contributions payable by the company are charged to the profit and loss account in the year they fall due.

Recognition of the defined benefit asset and related disclosures required by IAS 19 Revised: 'Employee benefits' in respect of the group scheme are provided in the Carr's Group plc financial statements.

#### (b) Carr's Group Retirement Savings Scheme (Carr's Group RSS)

Carr's Group plc offers membership to the company's employees in a Master Trust arrangement, Carr's Group RSS, following the closure of both sections of the Carr's Group Pension Scheme. The pension expense for this scheme in the year was £192,895 (2023: £240,675).

#### (c) Other pension plans

The company contributes into NEST on behalf of certain employees. Contributions of £21,659 (2023: £15,723) have been made in the year.

#### (d) Pension scheme related costs

During the year the company incurred costs associated with pension schemes of £nil (2023: £14,844).

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 16 Share-based payments

#### SAYE Share Plan

All employees, subject to eligibility criteria, may participate in the share save scheme. Under this scheme employees are offered savings contracts for 3 year vesting period plans. The exercise period is 6 months from the vesting date. The expected volatility has been calculated using historical daily data over a term commensurate with the expected life of each option. The expected life is the midpoint of the exercise period. The risk-free rate of return is the implied yield of zero-coupon UK Government bonds with a remaining term equal to the expected term of the award being valued.

During the year 70,765 options were granted in the Share Save Scheme 2024 (3 year plan) with a weighted average exercise price of £0.92. In addition, 59,819 (2023: no) options were exercised and 38,115 (2023: 3,529) options were forfeited in the Share Save Scheme 2021 (3 year plan) with a weighted average exercise price of £1.02 (2023: £1.02), 16,276 (2023: 6,260) options were forfeited in the Share Save Scheme 2022 (3 year plan) with a weighted average exercise price of £1.15 (2023: £1.15), and 7,691 (2023: no) options were forfeited in the Share Save Scheme 2023 (3 year plan) with a weighted average exercise price of £1.17 (2023: £1.17).

The fair value per option granted and the assumptions used in the calculation of fair values are as follows:

	Share Save Scheme (3-Year Plan 2024)	Share Save Scheme (3-Year Plan 2023)	Share Save Scheme (3-Year Plan 2022)
Grant date	08/02/24	03/07/23	06/06/22
Share price at grant date (weighted average)	£1.25	£1.47	£1.355
Exercise price (weighted average)	£0.92	£1.17	£1.15
Number of employees at grant	7	7	19
Shares under option at grant	70,765	22,919	75,435
Vesting year (years)	3	3	3
Model used for valuation	Black-Scholes	Black-Scholes	Black-Scholes
Expected volatility	37.9%	39.7%	40.0%
Option life (years)	3.55	3.55	3.55
Expected life (years)	3.3	3.3	3.3
Weighted average remaining contractual life (years)	2.97	2.38	1.3
Risk-free rate	4.1%	5.1%	1.78%
Expected dividends expressed as a dividend yield	4.20%	3.50%	3.80%
Expectations of vesting	95%	95%	95%
Fair value per option at grant	£0.42	£0.51	£0.38

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 17 Provisions for liabilities

The movement on the deferred tax account is shown below:

	2024	2023
	£	£
Brought forward net liability	(174,259)	(156,536)
Profit and loss account charge (Note 5)	(31,031)	(17,723)
<b>Carried forward net liability</b>	<b>(205,290)</b>	<b>(174,259)</b>

Deferred tax assets have been recognised in respect of other temporary differences giving rise to deferred tax assets because it is probable that these assets will be recovered.

The movements in deferred tax balances during the year are shown below:

	2024	2023
	£	£
<b>Short term timing differences</b>		
Brought forward asset	12,809	20,506
Profit and loss account credit/(charge)	3,335	(7,697)
<b>Carried forward asset</b>	<b>16,144</b>	<b>12,809</b>

	2024	2023
	£	£
<b>Accelerated capital allowances</b>		
Brought forward liability	(187,068)	(177,042)
Profit and loss account charge	(34,366)	(10,026)
<b>Carried forward liability</b>	<b>(221,434)</b>	<b>(187,068)</b>

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 18 Called up share capital

	2024	2023
	£	£
<b>Allotted, issued and fully paid</b>		
11,872,206 (2023: 11,872,206) ordinary shares of £1 each	<b>11,872,206</b>	11,872,206
	<b>11,872,206</b>	11,872,206

### 19 Capital commitments

There were no amounts contracted for but not provided in the financial statements in either the current year or the prior year.

### 20 Contingent liabilities

The company has given an unlimited cross guarantee with regard to all amounts owing to Clydesdale Bank PLC (trading as Virgin Money) by its parent company and fellow subsidiary companies. At 31 August 2024 the aggregate amount outstanding under these group banking arrangements was £1,795,532 (2023: £nil).

### 21 Related party transactions

The company had the following related party transactions:

#### In respect of the year ended 31 August 2024

The company had no related party transactions in the current year with fellow group companies which are not wholly owned.

#### Transactions with other related party companies:

	Sales to £	Purchases from £	Amounts owed by £
Crystalx Products GmbH	698,977	(1,654)	177,684

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 21 Related party transactions (continued)

In respect of the year ended 2 September 2023

**Transactions with fellow group companies which are not wholly owned:**

	Sales to £	Purchases from £	Amounts owed by £
Carrs Billington Agriculture (Sales) Limited	1,156,312	-	-

**Transactions with other related party companies:**

	Sales to £	Purchases from £	Amounts owed by £
Carrs Billington Agriculture (Operations) Limited	36,525	-	-
Crystalyx Products GmbH	197,034	(67,310)	-
	233,559	(67,310)	-

Crystalyx Products GmbH is a joint venture of Carr's Group plc and Carrs Billington Agriculture (Operations) Limited was an associate of Carr's Group plc until its disposal on 26 October 2022. Carr's Group plc is the company's immediate parent. Carrs Billington Agriculture (Sales) Limited was disposed of on 26 October 2022.

### 22 Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking and controlling party is Carr's Group plc, a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Carr's Group plc consolidated financial statements can be obtained from the Company Secretary at Carr's Group plc, Warwick Mill Business Centre, Warwick Bridge, Carlisle CA4 8RR.

# Carrs Agriculture Limited

## Notes to the financial statements for the year ended 31 August 2024 (continued)

### 23 Prior year restatement

A prior year restatement has been made following a reassessment of certain costs incurred by the company, by reference to the agent/principal guidance within IFRS 15. This has resulted in a gross up of turnover and cost of sales on the face of the profit and loss account for costs previously recognised net within cost of sales, with no impact to profitability. There is no balance sheet impact.

The affected financial statement line items are as follows:

	<b>2 September 2023 (previously reported)</b>	<b>Restatement</b>	<b>2 September 2023 (restated)</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Profit and Loss Account</b>			
Turnover	29,785,031	599,000	30,384,031
Cost of sales	(25,410,657)	(599,000)	(26,009,657)