

CHAPMAN & SONS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

CHAPMAN & SONS LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED
STATUTORY FINANCIAL STATEMENTS OF CHAPMAN & SONS LIMITED
FOR THE YEAR ENDED 31 MARCH 2024**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Chapman & Sons Limited for the year ended 31 March 2024 which comprise the 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 at <https://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Chapman & Sons Limited, as a body, in accordance with the terms of our engagement letter dated 18 August 2021. Our work has been undertaken solely to prepare for your approval the financial statements of Chapman & Sons Limited and state those matters that we have agreed to state to the Board of Directors of Chapman & Sons Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Chapman & Sons Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Chapman & Sons Limited 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 Chapman & Sons Limited. You consider that Chapman & Sons Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Chapman & Sons 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 financial statements.

MA Partners LLP

Chartered Accountants

7 The Close
Norwich
Norfolk
NR1 4DJ

11 December 2024

CHAPMAN & SONS LIMITED
REGISTERED NUMBER: 04678425

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	5	2,205,887	2,159,426
Current assets			
Stocks		482,970	479,576
Debtors: amounts falling due within one year	6	204,125	135,547
Cash at bank and in hand		245,493	96,834
		<u>932,588</u>	<u>711,957</u>
Creditors: amounts falling due within one year	7	(266,568)	(217,362)
Net current assets		666,020	494,595
Total assets less current liabilities		2,871,907	2,654,021
Creditors: amounts falling due after more than one year	8	(748,018)	(765,623)
Provisions for liabilities			
Deferred tax		(210,497)	(152,038)
Net assets		<u>1,913,392</u>	<u>1,736,360</u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		1,913,292	1,736,260
		<u>1,913,392</u>	<u>1,736,360</u>

CHAPMAN & SONS LIMITED
REGISTERED NUMBER: 04678425

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 December 2024.

P.G. Chapman
Director

The notes on pages 4 to 10 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

The company is a private company limited by shares. It is both incorporated and domiciled in England and Wales. The address of its registered office is 30 Gay Street, Bath, BA1 2PA.

The company's principal activity is that of farming. The principal place of business is Caston, Norfolk.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover comprises revenue recognised by the company in respect of crops sold, work done, rents and grants receivable, exclusive of Value Added Tax.

Revenue is recognised in the following manner:

Crops sold - on physical delivery to the customer;

Work done - on completion of the engagement;

Rents - amounts receivable in the year;

2.3 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Basic payment scheme entitlements	-	5	years
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both a straight line and reducing balance approach.

Depreciation is provided on the following basis:

Buildings	-	10%	straight line
Plant and equipment	-	20%	reducing balance
Motor vehicles	-	25%	reducing balance
Tractors	-	25%	reducing balance
Office equipment	-	33%	reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

2.10 Stocks

Stocks and closing valuation for cultivations (work in progress) are valued at the lower of cost and net realisable value. Costs have been determined from cost of production calculations. Net realisable value represents eliminated selling price for produce in store with values reduced in accordance with guidance within H M Revenue & Customs help sheet HS232. Consumable stocks are valued at cost.

2.11 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.14 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.15 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 8 (2023 - 8).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. Intangible assets

	Sugar Beet Quota £	Basic payment scheme entitlements £	Total £
Cost			
At 1 April 2023	28,670	9,621	38,291
Disposals	-	(9,621)	(9,621)
At 31 March 2024	<u>28,670</u>	<u>-</u>	<u>28,670</u>
Amortisation			
At 1 April 2023	28,670	9,621	38,291
Disposals	-	(9,621)	(9,621)
At 31 March 2024	<u>28,670</u>	<u>-</u>	<u>28,670</u>
Net book value			
At 31 March 2024	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>

CHAPMAN & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Tangible fixed assets

	Freehold property £	Plant & equipment £	Motor vehicles £	Tractors £	Other fixed assets £	Total £
Cost or valuation						
At 1 April 2023	541,782	1,107,729	165,446	972,398	991,761	3,779,116
Additions	5,800	196,625	15,995	40,000	-	258,420
Disposals	-	(135,093)	(24,599)	-	-	(159,692)
	<u>547,582</u>					
At 31 March 2024	<u>547,582</u>	<u>1,169,261</u>	<u>156,842</u>	<u>1,012,398</u>	<u>991,761</u>	<u>3,877,844</u>
Depreciation						
At 1 April 2023	187,720	605,839	131,083	695,048	-	1,619,690
Charge for the year on owned assets	790	100,023	10,224	69,756	-	180,793
Disposals	-	(105,391)	(23,135)	-	-	(128,526)
	<u>188,510</u>					
At 31 March 2024	<u>188,510</u>	<u>600,471</u>	<u>118,172</u>	<u>764,804</u>	<u>-</u>	<u>1,671,957</u>
Net book value						
At 31 March 2024	<u>359,072</u>	<u>568,790</u>	<u>38,670</u>	<u>247,594</u>	<u>991,761</u>	<u>2,205,887</u>
	<u>354,062</u>					
At 31 March 2023	<u>354,062</u>	<u>501,890</u>	<u>34,363</u>	<u>277,350</u>	<u>991,761</u>	<u>2,159,426</u>

6. Debtors

	2024 £	2023 £
Trade debtors	185,968	128,325
Other debtors	18,157	7,222
	<u>204,125</u>	<u>135,547</u>

CHAPMAN & SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	65,370	63,801
Other taxation and social security	103,070	55,755
Other creditors	23,340	23,652
Accruals and deferred income	74,788	74,154
	266,568	217,362

8. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Other loans	748,018	765,623
	748,018	765,623

9. Share capital

	2024	2023
	£	£
Allotted, called up and fully paid		
20 A shares of £1.00 each	20	20
20 B shares of £1.00 each	20	20
10 C shares of £1.00 each	10	10
10 D shares of £1.00 each	10	10
20 E shares of £1.00 each	20	20
20 F shares of £1.00 each	20	20
	100	100

10. Related party transactions

As at 31 March 2024 the company owed the directors **£748,018** (2023: £765,623) in respect of loans made. These loans are included within other creditors, in note 8 to the financial statements.

The company farms land which is owned personally by the directors.

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.