

Company registration number 04691321 (England and Wales)

# **ALAN BAYBUTT & SONS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2025**



# ALAN BAYBUTT & SONS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr J R Baybutt Mr J R Baybutt	(Appointed 10 January 2026)
<b>Company number</b>	04691321	
<b>Registered office</b>	467 Moss Lane Hesketh Bank Preston PR4 6XJ	
<b>Auditor</b>	MHA Richard House 9 Winckley Square Preston PR1 3HP	

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# ALAN BAYBUTT & SONS LIMITED

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# ALAN BAYBUTT & SONS LIMITED

## STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2025

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The directors present the strategic report for the year ended 30 April 2025.

### Review of the business

The period under review saw an increase in turnover of 4.36%. Staff costs increased by 9.58% which was due to minimum wage increases and changes to employers national insurance contributions. The business continued to keep tight control on all other costs.

During the year, the company continued to invest heavily in Plant & Machinery to increase productivity and efficiency to handle larger volumes of work.

The company has successfully passed all external audits from BRC, Red Tractor, Leaf Marque, GlobalGAP, SEDEX, GRASP and Tesco Nurture along with each audit carried out by its customers.

The company continues to invest in research and development to further extend the season and in order to develop new product lines and growing and harvesting practices throughout the business.

### Principal risks and uncertainties

The continued squeeze on disposable income has forced supermarkets into price competition to retain and attract customers. Whilst this is a risk it is also an opportunity as the supermarkets are concerned about continuity of supply and range of products.

The weather is a major risk to the business. The company manages this risk by continuing to invest in plant, machinery and development of the land bank.

The board considers both short- and long-term funding requirements, ensuring that sufficient funds are available to meet all operational and investment needs in what is a seasonal business. Together with the company's bankers, funding is appropriate to the needs of the company and provides appropriate stability for the future years.

### Other information and explanations

The board believes that the company is stable and well placed to adapt and remain at the forefront of an ever-changing industry in the years ahead. They would also like to place on record their sincere thanks to the dedicated staff employed by the company.

### Key performance indicators

Turnover increased to £17,126,370 (2024: £16,410,263), this is a result of high demand and increased planting for the year.

On behalf of the board

**Mr J R Baybutt**  
Director

30 January 2026

## **ALAN BAYBUTT & SONS LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 30 APRIL 2025**

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The directors present their annual report and financial statements for the year ended 30 April 2025.

#### **Principal activities**

The principal activity of the company continued to be that of growing and packing varieties of lettuce, celery and spinach for supply to major UK supermarkets and wholesalers.

#### **Results and dividends**

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £740,000. The directors do not recommend payment of a further dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J R Baybutt	
Mr R A Baybutt	(Deceased 17 February 2025)
Mrs R Baybutt	(Resigned 11 January 2026)
Mr J R Baybutt	(Appointed 10 January 2026)

#### **Auditor**

The auditor, MHA, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### **Medium-sized companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

**Mr J R Baybutt**  
Director

30 January 2026

## **ALAN BAYBUTT & SONS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### **FOR THE YEAR ENDED 30 APRIL 2025**

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The directors are responsible for preparing the annual 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). 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;
- 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.

## **ALAN BAYBUTT & SONS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF ALAN BAYBUTT & SONS LIMITED**

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#### **Opinion**

We have audited the financial statements of Alan Baybutt & Sons Limited (the 'company') for the year ended 30 April 2025 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **ALAN BAYBUTT & SONS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF ALAN BAYBUTT & SONS LIMITED (CONTINUED)**

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Auditing the risk of fraud in revenue, including through sample testing to provide comfort that revenue stated within the financial statements has occurred;
- Reviewing that seasonal workers possessed the requisite rights to work in the country and that the company operated payroll in a proper manner;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

## **ALAN BAYBUTT & SONS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF ALAN BAYBUTT & SONS LIMITED (CONTINUED)**

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Joe Sullivan FCA**

Senior Statutory Auditor  
For and on behalf of MHA, Statutory Auditor  
Preston, United Kingdom

30 January 2026

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

## ALAN BAYBUTT & SONS LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2025

	Notes	2025 £	2024 £
<b>Turnover</b>	<b>3</b>	17,126,370	16,410,263
Cost of sales		(13,425,531)	(12,201,300)
<b>Gross profit</b>		<u>3,700,839</u>	<u>4,208,963</u>
Distribution costs		(125,252)	(180,314)
Administrative expenses		(2,543,254)	(2,810,996)
Other operating income		133,444	89,148
<b>Operating profit</b>	<b>4</b>	<u>1,165,777</u>	<u>1,306,801</u>
Interest payable and similar expenses	<b>7</b>	(67,429)	(61,700)
<b>Profit before taxation</b>		<u>1,098,348</u>	<u>1,245,101</u>
Tax on profit	<b>8</b>	(69,038)	(340,396)
<b>Profit for the financial year</b>		<u><u>1,029,310</u></u>	<u><u>904,705</u></u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

## ALAN BAYBUTT & SONS LIMITED

### BALANCE SHEET

AS AT 30 APRIL 2025

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		925,858		1,182,597
<b>Current assets</b>					
Stocks	12	2,331,226		2,295,849	
Debtors	13	3,963,264		3,193,814	
Cash at bank and in hand		153		216	
		<u>6,294,643</u>		<u>5,489,879</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(4,266,749)</u>		<u>(3,594,501)</u>	
<b>Net current assets</b>			<u>2,027,894</u>		<u>1,895,378</u>
<b>Total assets less current liabilities</b>			<u>2,953,752</u>		<u>3,077,975</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(192,165)		(544,274)
<b>Provisions for liabilities</b>					
Deferred tax liability	18	<u>208,900</u>		<u>270,324</u>	
			<u>(208,900)</u>		<u>(270,324)</u>
<b>Net assets</b>			<u><u>2,552,687</u></u>		<u><u>2,263,377</u></u>
<b>Capital and reserves</b>					
Called up share capital	20		200		200
Capital redemption reserve			500		500
Profit and loss reserves			<u>2,551,987</u>		<u>2,262,677</u>
<b>Total equity</b>			<u><u>2,552,687</u></u>		<u><u>2,263,377</u></u>

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 30 January 2026 and are signed on its behalf by:

Mr J R Baybutt  
Director

Company registration number 04691321 (England and Wales)

**ALAN BAYBUTT & SONS LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2025**

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£
<b>Balance at 1 May 2023</b>	200	500	2,032,972	2,033,672
<b>Year ended 30 April 2024:</b>				
Profit and total comprehensive income	-	-	904,705	904,705
Dividends	9	-	(675,000)	(675,000)
<b>Balance at 30 April 2024</b>	200	500	2,262,677	2,263,377
<b>Year ended 30 April 2025:</b>				
Profit and total comprehensive income	-	-	1,029,310	1,029,310
Dividends	9	-	(740,000)	(740,000)
<b>Balance at 30 April 2025</b>	200	500	2,551,987	2,552,687

# ALAN BAYBUTT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 APRIL 2025

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#### 1 Accounting policies

##### Company information

Alan Baybutt & Sons Limited is a private company limited by shares incorporated in England and Wales. The registered office is 467 Moss Lane, Hesketh Bank, Preston, PR4 6XJ.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Baybutt Investments Limited. These consolidated financial statements are available from its registered office, Hodsons Farm, 467 Moss Lane, Hesketh Bank, Preston, Lancashire, PR4 6XJ.

##### 1.2 Going concern

The company has retained its close links with key customers who are looking to source goods from the next cycle of crops. At the time of approving the financial statements, the directors have also secured sufficient labour to harvest its crops in the upcoming Summer season.

Taking this into account, along with the budgets prepared and evidence obtained from interim accounts, the directors have at the time of approving the financial statements every expectation that the company has adequate resources to continue in operational existence for the foreseeable future and at the very least, greater than one year from the date of the audit report. As a consequence they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

# ALAN BAYBUTT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

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### 1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% - 25% reducing balance
Fixtures, fittings & equipment	33% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

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#### 1 Accounting policies

(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.

#### 1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

All of the company's financial assets are basic financial instruments.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 30 APRIL 2025

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#### 1 Accounting policies

(Continued)

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Other financial liabilities**

All of the company's financial liabilities are basic financial instruments.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# ALAN BAYBUTT & SONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

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### 1 Accounting policies

(Continued)

#### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 30 APRIL 2025

## 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Growing stock

Determining the year end stock value requires estimation of the quantities of items in the ground at the year end which were yielded and sold post year end. Information on post year end yields is available and can be used with the directors' knowledge of sowing periods to obtain a materially correct estimate of the quantities which were sown pre year end.

## 3 Turnover

	2025	2024
	£	£
<b>Turnover analysed by class of business</b>		
Sales of produce	17,006,806	16,297,947
Other sales	119,564	112,316
	<u>17,126,370</u>	<u>16,410,263</u>

## 4 Operating profit

	2025	2024
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	4,653	(580)
Fees payable to the company's auditor for the audit of the company's financial statements	19,140	19,600
Depreciation of owned tangible fixed assets	101,345	63,160
Depreciation of tangible fixed assets held under finance leases	119,140	140,797
Profit on disposal of tangible fixed assets	(5,415)	(1,000)
Operating lease charges	673,548	881,991
	<u>673,548</u>	<u>881,991</u>

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

#### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025 Number	2024 Number
Directors	3	3
Seasonal Staff	104	97
Permanent staff	29	27
Total	<u>136</u>	<u>127</u>

Their aggregate remuneration comprised:

	2025 £	2024 £
Wages and salaries	5,166,780	4,742,719
Social security costs	562,254	482,533
Pension costs	82,856	78,307
	<u>5,811,890</u>	<u>5,303,559</u>

#### 6 Directors' remuneration

	2025 £	2024 £
Remuneration for qualifying services	<u>15,018</u>	<u>18,620</u>

#### 7 Interest payable and similar expenses

	2025 £	2024 £
Interest on bank overdrafts and loans	44,995	42,814
Interest on finance leases and hire purchase contracts	22,434	18,886
	<u>67,429</u>	<u>61,700</u>

#### 8 Taxation

	2025 £	2024 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	<u>130,462</u>	<u>250,130</u>

**ALAN BAYBUTT & SONS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2025**

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<b>8 Taxation</b>	<b>(Continued)</b>	
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(61,382)	85,640
Changes in tax rates	-	4,626
Adjustment in respect of prior periods	(42)	-
	<u>(61,424)</u>	<u>90,266</u>
Total deferred tax	<u>(61,424)</u>	<u>90,266</u>
Total tax charge	<u>69,038</u>	<u>340,396</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Profit before taxation	<u>1,098,348</u>	<u>1,245,101</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2024: 25.00%)	274,587	311,275
Tax effect of expenses that are not deductible in determining taxable profit	11,611	9,782
Effect of change in corporation tax rate	-	56,861
Group relief	(217,118)	(37,522)
Deferred tax adjustments in respect of prior years	(42)	-
	<u>69,038</u>	<u>340,396</u>
Taxation charge for the year	<u>69,038</u>	<u>340,396</u>
<b>9 Dividends</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Final paid	<u>740,000</u>	<u>675,000</u>

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

#### 10 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 May 2024	1,702,100	20,209	10,550	1,732,859
Additions	107,806	525	-	108,331
Disposals	(178,500)	(585)	-	(179,085)
At 30 April 2025	1,631,406	20,149	10,550	1,662,105
<b>Depreciation and impairment</b>				
At 1 May 2024	527,900	19,561	2,801	550,262
Depreciation charged in the year	217,834	488	2,163	220,485
Eliminated in respect of disposals	(33,915)	(585)	-	(34,500)
At 30 April 2025	711,819	19,464	4,964	736,247
<b>Carrying amount</b>				
At 30 April 2025	919,587	685	5,586	925,858
At 30 April 2024	1,174,200	648	7,749	1,182,597

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2025 £	2024 £
Plant and machinery	446,561	762,320

#### 11 Investments

The company owns 50% of Crossens Group Limited. At 30 April 2025 Crossens Group Limited had net assets of £100 and made neither a profit or loss during the accounting period. The company treats this investment as a joint venture.

Interests in jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

#### 12 Stocks

	2025 £	2024 £
Consumables and produce for resale	2,331,226	2,295,849

**ALAN BAYBUTT & SONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2025**

**13 Debtors**

	<b>2025</b>	<b>2024</b>
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	345,188	187,681
Amounts owed by group undertakings	3,473,394	2,918,082
Other debtors	124,829	76,179
Prepayments and accrued income	19,853	11,872
	<u>3,963,264</u>	<u>3,193,814</u>

**14 Creditors: amounts falling due within one year**

	<b>2025</b>	<b>2024</b>
	£	£
	<b>Notes</b>	
Bank loans and overdrafts	<b>16</b>	1,507,345
Obligations under finance leases	<b>17</b>	142,109
Trade creditors		2,197,691
Corporation tax		254,571
Other taxation and social security		78,902
Other creditors		70,081
Accruals and deferred income		16,050
		<u>4,266,749</u>
		<u>3,594,501</u>

**15 Creditors: amounts falling due after more than one year**

	<b>2025</b>	<b>2024</b>
	£	£
	<b>Notes</b>	
Bank loans and overdrafts	<b>16</b>	65,000
Obligations under finance leases	<b>17</b>	127,165
		<u>192,165</u>
		<u>544,274</u>

**16 Loans and overdrafts**

	<b>2025</b>	<b>2024</b>
	£	£
Bank loans	195,000	325,000
Bank overdrafts	1,377,345	775,903
	<u>1,572,345</u>	<u>1,100,903</u>
Payable within one year	1,507,345	905,903
Payable after one year	65,000	195,000
	<u>1,572,345</u>	<u>1,100,903</u>

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

#### 16 Loans and overdrafts

(Continued)

The loans and overdrafts are secured by way of a cross-company unlimited guarantee between all of the companies in the group as well as fixed and floating charges over group assets, legal charges over land and buildings owned by the group and a personal guarantee from the directors.

The company has a fixed rate bank loan with a fixed interest rate of 4.95%. This loan was obtained as support during the COVID-19 pandemic and had an interest free period of one year. Repayment is being made over the 5 years to October 2026.

#### 17 Finance lease obligations

	2025	2024
	£	£
Future minimum lease payments due under finance leases:		
Within one year	152,958	251,197
In two to five years	137,075	379,583
	<u>290,033</u>	<u>630,780</u>
Less: future finance charges	(20,759)	(29,309)
	<u><u>269,274</u></u>	<u><u>601,471</u></u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The usual lease term is either 3 or 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Finance leases are secured over the assets to which they relate.

#### 18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2025	Liabilities 2024
	£	£
<b>Balances:</b>		
Accelerated capital allowances	210,994	270,816
Short term timing differences	(2,094)	(492)
	<u>208,900</u>	<u>270,324</u>

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

#### 18 Deferred taxation (Continued)

	2025 £
<b>Movements in the year:</b>	
Liability at 1 May 2024	270,324
Credit to profit or loss	(61,424)
	<hr/>
Liability at 30 April 2025	208,900
	<hr/> <hr/>

The company has not finalised its capital expenditure programme for the next financial year and therefore an assessment as to the likely movement of timing differences cannot reasonably be made.

19 Retirement benefit schemes	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	82,856	78,307
	<hr/> <hr/>	<hr/> <hr/>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Share capital	2025	2024	2025	2024
Ordinary share capital	Number	Number	£	£
<b>Issued and fully paid</b>				
Ordinary A shares of £1 each	190	190	190	190
Ordinary G shares of £1 each	10	10	10	10
	<hr/>	<hr/>	<hr/>	<hr/>
	200	200	200	200
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Each class of shares ranks pari passu in all respects save for:

- a) Upon a return of capital, where the residual assets (if any) up to £1,400,000 shall be distributed equally amongst all holders of Ordinary A shares. Any residual net assets in excess of £1,400,000 shall be distributed amongst all holders of Ordinary A and Ordinary G shares.
- b) Upon a sale of the entire issued share capital of the company to a third party, where any consideration up to £1,400,000 will be allocated to the holders of the Ordinary A share, pro rata to the number of shares held by each individual. Ordinary G shareholders shall receive par value only. Where any element of consideration exceeds £1,400,000, this shall be allocated to the holders of Ordinary A and Ordinary G shares, pro rata to the number of shares held by each individual.
- c) Ordinary G shares do not confer a right to attend or to vote at any meeting of shareholders.

#### 21 Financial commitments, guarantees and contingent liabilities

A cross-company unlimited guarantee is in place in favour of the company's bankers between the company, Baybutt Holdings Limited and Baybutt Investments Limited.

At the balance sheet date, other group company borrowings payable to the company's bankers totalled £7,875,055 (2024: £6,002,683).

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

#### 22 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	43,088	31,590
Between two and five years	-	17,010
	<u>43,088</u>	<u>48,600</u>

#### 23 Related party transactions

##### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales 2025 £	Sales 2024 £	Purchases 2025 £	Purchases 2024 £
Other related parties	<u>12,557,928</u>	<u>13,160,288</u>	<u>780,127</u>	<u>786,913</u>

  

	Land rental		Asset rental	
	2025 £	2024 £	2025 £	2024 £
Entities with control, joint control or significant influence over the company	<u>173,579</u>	<u>357,579</u>	<u>677,069</u>	<u>537,763</u>

The following amounts were outstanding at the reporting end date:

	2025 £	2024 £
<b>Amounts due to related parties</b>		
Entities over which the entity has control, joint control or significant influence	6,839	-
Other related parties	80,396	-
	<u>87,235</u>	<u>-</u>

## ALAN BAYBUTT & SONS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2025

#### 23 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2025	2024
Amounts due from related parties	£	£
Entities with control, joint control or significant influence over the company	3,473,395	2,918,081
Other related parties	232,063	60,905
	<u>3,705,458</u>	<u>2,978,986</u>

Included in other related parties are two companies where a director of Alan Baybutt and Sons Limited is also a director of those companies.

#### 24 Ultimate controlling party

The company's ultimate parent company is Baybutts Investments Limited. Its registered office is Hodsons Farm, 467 Moss Lane, Hesketh Bank, Preston, Lancashire, PR4 6XJ.

The immediate parent company is Baybutt Holdings Limited.

The only group for which consolidated accounts are prepared, of which this company is a member, is the group headed by Baybutt Investments Limited. Copies of the group accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ or the company's registered office.

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.