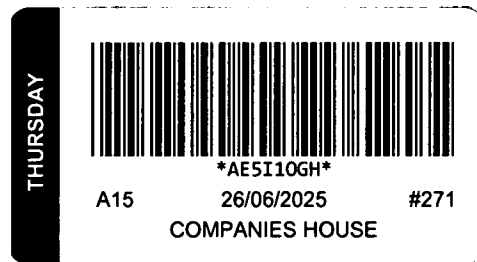


Company registration number 00010553 (England and Wales)

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

COMPANY INFORMATION

Directors
Mr B P H Wharam
Mr A M Green
Mr I C Lancaster
Mrs L M Lancaster
Mrs J Liddle
Mr J D H Robson
Mr R K Craig
Mr R D Calrow OBE

Secretary Mr A M Green

Company number 00010553

Registered office
Agricultural Hall
Skirsgill
Penrith
Cumbria
CA11 0DN

Auditor
Saint & Co.
Sterling House
Wavell Drive
Rosehill
Carlisle
CA1 2SA

Bankers
Handelsbanken PLC
1 Merchants Drive
Parkhouse
Carlisle
Cumbria
CA3 OJW

Solicitors
Knights PLC
2 Merchants Drive
Carlisle
CA3 OJW

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

CONTENTS

| | Page |
|---|-------------|
| Chairman's statement | 1 |
| Strategic report | 2 - 6 |
| Directors' report | 7 - 8 |
| Directors' responsibilities statement | 9 |
| Independent auditor's report | 10 - 13 |
| Group statement of comprehensive income | 14 |
| Group statement of financial position | 15 - 16 |
| Company statement of financial position | 17 - 18 |
| Group statement of changes in equity | 19 |
| Company statement of changes in equity | 20 |
| Group statement of cash flows | 21 |
| Notes to the financial statements | 22 - 40 |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Chairman presents his statement for the period.

I am pleased to report that the Group's Net Assets have increased by £396,246 to £7,161,285, an increase of 5.9% on the previous year and following on from an increase of 6.5% in the year to 31st December 2024.

We can report that despite tough trading conditions and inflationary pressures during this year, both our Rural and Estate Agency businesses have generated operating profits.

The Estate Agency business, in common with our competitors, suffered in the early part of the year from the national slow down in the housing market, however due to a combination of proactive marketing and cost cutting, the results in the latter part of the year have resulted in this business returning to profitability.

Our Rural business is continuing to operate profitably and as a result of new recruitment, we shall be better placed to expand this business in the coming years.

The skills and professionalism of our Rural Staff and Directors continues to retain and attract new business across the farming and rural sectors.

Our property portfolio continues to be successful as a result of the active management by the Head Office team which has resulted in a further uplift in values at the year end.

As Shareholders may be aware, our principal property investment is the Auction Mart site at Skirsgill, Penrith on which we have now renegotiated the lease to the benefit of both ourselves and our long term tenants, Penrith & District Farmers Mart.

Due to regulatory constraints imposed by National and Local Planning, the development of our residential housing site at Lazonby continues to remain challenging but is moving forward.

Work on our Mile Lane commercial development has now started and this, along with the Lazonby development, should feed through to enhance capital values for the Group.

My thanks go out to our dedicated staff whose efforts to enhance the profitability of our trading businesses and to my fellow Directors, for their continued support and advice in achieving this strategic goal of increasing the Group's Net Asset Value.



I C Lancaster
Chairman

7 May 2025

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present the strategic report for the year ended 31 December 2024.

Financial overview and review of operating departments

An overall profit of £263,363 after tax has been generated in 2024 (compared with an overall profit of £413,278 after tax in the previous year) and shareholder's funds have grown from £6,765,039 to £7,161,285 as at the 31 December 2024.

Turnover from our trading operations has increased 12% from £2,162,615 in 2023 to £2,422,503 in 2024. This increase in the level of turnover has been generated solely through organic growth and was very pleasing to the directors given the difficult trading conditions.

The impact of inflation along with general market uncertainty and continued expenditure on repairing and improving the Skirsgill site at the beginning of 2024, has increased costs both within costs of sales and administrative expenses. The Board are confident, however, that the cost-base of the business is appropriate as a platform for continued revenue growth and for further improvements in the wider performance of the group's trading operations.

In 2024, the UK housing market faced a mix of challenges and slow growth, marked by higher mortgage rates, affordability concerns, and competition amongst sellers. House prices showed modest increases, with the average property price rising slightly, but high mortgage rates continued to constrain many buyers.

The number of homes for sale, however, increased in the year which was beneficial for our Estate Agency department and also pushed many sellers to reduce their asking prices. This led to the market showing more signs of stability towards the end of the year. Efforts to curb housing costs included the introduction of legislation to protect renters and the Bank of England's actions to lower interest rates, both of which lead to more optimism in the market moving forward.

The region's land agency market also demonstrated resilience amid economic fluctuations. Agricultural land maintained strong demand, with high-quality parcels often exceeding price expectations, driven by interest from neighbouring farmers and investors with rollover funds. The region experienced an influx of agricultural land listings, providing more opportunities for buyers and demand remained robust, particularly for premium land. Despite challenges such as high input costs and adjustments in farm subsidies, the market remained stable, with land values holding steady and, in some cases, showing potential for appreciation.

Investment Property Portfolio

Our investment property portfolio has produced an increased rental income in 2024. Our old Saleroom premises on the Skirsgill site is now fully let to KIER Highways for what we believe will be the duration of the A66 upgrade project and rents from the auction mart continue to increase as their operations continue to grow.

A planning application for a commercial development on owned-land off Mile Lane, near our Skirsgill site, was approved by the newly formed planning department at Westmorland and Furness Council in November 2023 and work continues internally to ascertain the optimal way of moving this project forward.

A planning application made in April 2023 on owned-land in Lazonby for a residential development of 9 houses is still pending a decision without a known committee meeting date. We will update shareholders of any developments in this process as soon as we possibly can although indications are promising on this being a success.

We have agreed with our tenant, Penrith & District Farmers Mart LLP, that as Landlord, we will take the bungalow on the site, known as Cumbria view, back in to our ownership. This has become surplus to their requirements and we will look to redevelop the site for our own purposes. A formal planning application is due to be submitted to Westmorland and Furness Council in the next few weeks.

One property acquisition and one disposal were made in the period to both enhance and simplify our property portfolio. 25 Little Dockray, Penrith, was acquired to enhance rental income and to extend the ownership of the building in which our Estate Agency operates and the Kirkby Stephen estate office was sold as operations from this geographical area moved to the Penrith branch office.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Group Restructure

It was announced previously that a restructure of the Company would be taking place to create a new group structure consisting of a holding company owning investment assets and 2 trading subsidiaries, wholly owned by the parent Company.

This process has now been completed with the trade and assets of PFK's Rural Land Agency department being hived down in to PFK Rural Limited (formally Robson and Liddle (Rural) Limited) on the 1 July 2023 and the trade and assets of PFK's Estate Agency department hived down in to the newly-formed PFK Estate Agency Limited on 1 January 2024. Therefore, from the 1 January 2024 the new group structure was fully operational.

Subsidiary Company Accounts

It has been commented in prior General Meetings that the trading company's financial statements were not available for inspection before the Annual General Meeting and therefore questions relating to them could not be asked in any detail. Whilst we will not be sending all shareholders printed copies of these accounts or filing them at Companies House in advance of filing the Group consolidated accounts, a proposed copy of them will be available on request from the Company Secretary in advance of the 2025 AGM.

Board and Corporate Activity

During 2024, there have been no new appointments of Directors made nor have there been any resignations.

The Board do feel that there is currently an appropriate balance between the non-executive and executive teams and that the experience of the Board as a whole is the strongest it has been for many years.

A particular concern of shareholders over recent years has been the specific shareholding of the individuals on the Board and, in particular, the transparency of it. The below table shows this information both at the end of the current period and the prior period and we aim to present this in all annual reports going forward.

| Director Name | Shareholding at 31 December 2024 | Shareholding at 31 December 2023 |
|-----------------|----------------------------------|----------------------------------|
| Ian Lancaster | 8,024 | 7,737 |
| Bernard Wharam | 802 | 802 |
| Robert Craig | 200 | 200 |
| Derek Calrow | 4,064 | 4,064 |
| Andrew Green | 463 | 443 |
| Lynne Lancaster | 150 | 0 |
| John Robson | 150 | 150 |
| Julie Liddle | 47 | 47 |
| Total | 13,900 | 13,443 |

In addition to the above, Ian Lancaster purchased a further 1,750 shares at the sale which ended on 14 March 2025.

On the 31 December 2024 Mr Derek Calrow's wife owned 9,170 shares and since the year end, all of these shares have been transferred to Mr Derek Calrow.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Outlook and Principal Risks Facing the Business

Throughout the first half of 2024, the economic environment was undoubtedly becoming more settled with general inflation coming under control and interest rates stabilising. Central government also became far more settled with less ministerial changes and shocks.

The general election in July 2024, which saw a change in Government, has not had as big a shock on the housing market as it might have had and the market continues to remain relatively stable. The situation is quite different in the agricultural sector, however, with the impacts of the new government's policies, particularly around inheritance tax, yet to be fully realised.

However, despite interest rates stabilising they remain at their highest rate for many years, seriously impacting upon people's ability to borrow and subsequently become active in the housing market. The impact of inflation has already impacted our cost-base and this is not always easy to pass on to clients.

The Board are, however, optimistic that 2025 will generate an improved trading performance based on the changes that have been implemented internally and that organic growth remains probable. Potential acquisitions, both of trading businesses and other land and property-based assets, are regularly being assessed and evaluated for their potential to add value to the Group.

Share Trading Information

From September 2024 the Company has been administering a new process for facilitating the sale of Shareholder's shares that they wish to sell.

The methodology used to conduct the sale is similar to that of a 'sealed-bid auction' where bidders submit bids to the auctioneer over a short period of time, with no bidder knowing how much other auction participants have bid. On a stated date at the close of the bidding-window, bids are considered and the highest bid, should it be above the reserve price, will be declared the winner. If the winner has stated they do not wish to purchase all of the shares on offer, the next highest bidder will be successful at their bid price and so on until all of the shares which match bids above the reserve price are allocated to bidders.

If you are considering selling or buying shares in the Company or require any further information relating to shares, please contact Judith Mitchell or Andrew Green, Company Secretary, on shares@pfk.co.uk or 01768 862323.

Dividend

It has been recommended a dividend of £0.50p per share shall be paid.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Measurement of Performance

Measurement of performance against targets and the achievement of business objectives are by means of key performance indicators.

The actual performance against key performance indicators for the twelve months to 31 December 2024 is shown below, together with the twelve months to 31 December 2023 for comparative purposes.

| | 2024 | 2023 |
|-----------------------------------|------------|------------|
| Turnover | £2,422,503 | £2,162,615 |
| Turnover growth | 12.0% | 5.0% |
| Net profit after taxation | £263,363 | £413,278 |
| Earnings per share for the period | £0.83 | £1.30 |

Shareholders' funds at 31 December 2024 amounted to £7,161,285 (2023 - £6,765,039) and the directors consider this to be satisfactory.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Board of Directors of Penrith Farmers' and Kidd's PLC consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefits of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 December 2024 and in the decisions regarding the operational and strategic plans going forward.

Our decisions are designed to have a long-term beneficial impact on the company and to contribute to its success in delivering a high quality, professional service in the sectors in which we operate. We will continue to operate our business within tight budgetary controls and in line with regulatory standards.

Our employees are fundamental to the delivery of the decisions which are made. We aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and well-being of our employees is one of our primary considerations in the way we do business.

Our duties as a 'Regulated by RICS' company provide customers with confidence and security in relation to the services we provide. Adherence to this accreditation assures both existing and potential clients that the company behaves ethically and acts with integrity and honesty and has the required skills and competencies to do the job.

We aim to act responsibly and fairly in how we engage with our suppliers, our advisors and bankers and always aim to co-operate with our regulators in an efficient and timely manner. These stakeholders are integral to the successful delivery of the decisions which are made.

Penrith Farmers' and Kidd's PLC has a long and established history in the local and wider Cumbrian community and, as such, we take into account the impact of the company's operations on the community, the environment and our wider, societal responsibilities. As a Board of Directors, our intention is to behave responsibly and ensure that management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours.

As the Board of Directors, our intention is to behave responsibly towards our shareholders and treat them fairly and equally so they too may benefit from the decisions that are made and the delivery of them.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

On behalf of the board



Mr A M Green
Managing Director

7 May 2025

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their annual report and financial statements for the year ended 31 December 2024.

Principal activities

The principal activity of the company and group continued to be that of property-related professional services, property ownership and carrying on the business of land and estate agents.

Results and dividends

The profit for the year, after taxation, amounted to £263,363 (2023: £413,279)

The results for the year are set out in the statement of comprehensive income.

During the year dividends of £159,117 (2023: £159,117) were paid.

Directors

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

Mr B P H Wharam
Mr A M Green
Mr I C Lancaster
Mrs L M Lancaster
Mrs J Liddle
Mr J D H Robson
Mr R K Craig
Mr R D Calrow OBE

Strategic report

The company has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and outlook and the statement of how directors have paid regard to the need to foster the company's business relationships with suppliers, customers and others, and the effect of that, including on the principal decisions taken by the company during the financial year.

Statement of disclosure to auditor

Each of the persons who are directors at the time when this Directors' report is approached has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Attendance at board meetings

| | |
|-------------------|-------|
| Mr B P H Wharam | 6 (6) |
| Mr A M Green | 6 (6) |
| Mrs L M Lancaster | 5 (6) |
| Mr I C Lancaster | 5 (6) |
| Mrs J Liddle | 6 (6) |
| Mr J D H Robson | 6 (6) |
| Mr R K Craig | 6 (6) |
| Mr R D Calrow OBE | 5 (6) |

Attendance at directors' meetings are shown opposite the name of the director, with the maximum number possible shown in brackets.

On behalf of the board



Mr I C Lancaster
Director

7 May 2025

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard Applicable In the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to ~~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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

Opinion

We have audited the financial statements of Penrith Farmers and Kidds PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 group's and the parent company's affairs as at 31 December 2024 and of the group's 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's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent 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 other 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 group's and parent 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.

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

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
 - performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify unusual transactions;
 - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
 - investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

Sophie Graham (Senior Statutory Auditor)

For and on behalf of Saint & Co., Statutory Auditor

Chartered Accountants

Sterling House

Wavell Drive

Rosehill

Carlisle

CA1 2SA

7 May 2025

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

| | Notes | 2024 £ | 2023 £ |
|--|-----------|-----------------------|-----------------------|
| Turnover | 3 | 2,422,503 | 2,162,615 |
| Cost of sales | | (325,519) | (282,331) |
| Gross profit | | <u>2,096,984</u> | <u>1,880,284</u> |
| Administrative expenses | | (2,599,117) | (2,493,604) |
| Other operating income | 3 | 715,125 | 970,402 |
| Operating profit | 4 | <u>212,992</u> | <u>357,082</u> |
| Interest receivable and similar income | 8 | 66,007 | 60,607 |
| Profit before taxation | | <u>278,999</u> | <u>417,689</u> |
| Tax on profit | 9 | (15,636) | (4,411) |
| Profit for the financial year | 24 | <u>263,363</u> | <u>413,278</u> |
| Other comprehensive income | | | |
| Revaluation of tangible fixed assets | | 292,000 | 156,136 |
| Total comprehensive income for the year | | <u><u>555,363</u></u> | <u><u>569,414</u></u> |

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

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

The notes on pages 22 to 40 form part of these financial statements.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

| | Notes | 2024 | | 2023 | |
|--|-------|-----------|-----------|-----------|-----------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Goodwill | 12 | | 336,744 | | 403,485 |
| Other intangible assets | 12 | | 18,600 | | 28,502 |
| | | | | | |
| Total intangible assets | | | 355,344 | | 431,987 |
| Tangible assets | 13 | | 792,481 | | 565,272 |
| Investment property | 14 | | 3,905,201 | | 3,390,001 |
| | | | | | |
| | | | 5,053,026 | | 4,387,260 |
| Current assets | | | | | |
| Debtors | 18 | 706,058 | | 681,224 | |
| Cash at bank and in hand | | 1,940,616 | | 2,203,321 | |
| | | | | | |
| | | 2,646,674 | | 2,884,545 | |
| Creditors: amounts falling due within one year | 19 | (406,743) | | (258,069) | |
| | | | | | |
| Net current assets | | | 2,239,931 | | 2,626,476 |
| | | | | | |
| Total assets less current liabilities | | | 7,292,957 | | 7,013,736 |
| | | | | | |
| Creditors: amounts falling due after more than one year | 20 | | - | | (133,334) |
| Provisions for liabilities | | | | | |
| Deferred tax liability | 21 | 131,672 | | 115,363 | |
| | | | (131,672) | | (115,363) |
| | | | | | |
| Net assets | | | 7,161,285 | | 6,765,039 |
| | | | | | |
| | | | | | |
| Capital and reserves | | | | | |
| Called up share capital | 23 | | 318,233 | | 318,233 |
| Share premium account | 24 | | 237,144 | | 237,144 |
| Revaluation reserve | 24 | | 2,119,756 | | 1,512,559 |
| Profit and loss reserves | 24 | | 4,486,152 | | 4,697,103 |
| | | | | | |
| Total equity | | | 7,161,285 | | 6,765,039 |
| | | | | | |
| | | | | | |

The notes on pages 22 to 40 form part of these financial statements.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

GROUP STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2024

The financial statements were approved by the board of directors and authorised for issue on 7 May 2025 and are signed on its behalf by:



Mr I C Lancaster
Director

Company registration number 00010553 (England and Wales)

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

| | Notes | 2024 | | 2023 | |
|--|-------|-----------|-----------|-----------|-----------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Goodwill | 12 | | - | | 11,748 |
| Other intangible assets | 12 | | 2,166 | | 4,512 |
| | | | 2,166 | | 16,260 |
| Total intangible assets | | | 2,166 | | 16,260 |
| Tangible assets | 13 | | 4,662 | | 495,534 |
| Investment property | 14 | | 4,505,201 | | 3,390,001 |
| Investments | 15 | | 586,167 | | 586,167 |
| | | | 5,098,196 | | 4,487,962 |
| Current assets | | | | | |
| Debtors | 18 | 933,415 | | 641,047 | |
| Cash at bank and in hand | | 1,531,598 | | 2,128,764 | |
| | | 2,465,013 | | 2,769,811 | |
| Creditors: amounts falling due within one year | 19 | (234,830) | | (184,286) | |
| | | 2,230,183 | | 2,585,525 | |
| Net current assets | | | 2,230,183 | | 2,585,525 |
| Total assets less current liabilities | | | 7,328,379 | | 7,073,487 |
| Creditors: amounts falling due after more than one year | 20 | | - | | (133,334) |
| Provisions for liabilities | | | | | |
| Deferred tax liability | 21 | 134,142 | | 117,260 | |
| | | (134,142) | | (117,260) | |
| Net assets | | | 7,194,237 | | 6,822,893 |
| Capital and reserves | | | | | |
| Called up share capital | 23 | | 318,233 | | 318,233 |
| Share premium account | 24 | | 237,144 | | 237,144 |
| Revaluation reserve | 24 | | 2,119,756 | | 1,512,559 |
| Profit and loss reserves | 24 | | 4,519,104 | | 4,754,957 |
| | | | 7,194,237 | | 6,822,893 |

The notes on pages 22 to 40 form part of these financial statements.

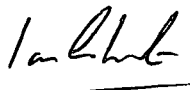
As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £238,460 (2023 - £449,639 profit).

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2024

The financial statements were approved by the board of directors and authorised for issue on 7 May 2025 and are signed on its behalf by:



Mr I C Lancaster
Director

Company registration number 00010553 (England and Wales)

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

| | Notes | Share capital £ | Share premium account £ | Revaluation reserve £ | Profit and loss reserves £ | Total £ |
|---|-------|--------------------|----------------------------------|-----------------------------|----------------------------------|------------|
| Balance at 1 January 2023 | | 318,233 | 237,144 | 1,110,912 | 4,688,453 | 6,354,742 |
| Year ended 31 December 2023: | | | | | | |
| Profit for the year | | - | - | - | 413,278 | 413,278 |
| Other comprehensive income: | | | | | | |
| Surplus on revaluation of freehold property | | - | - | 156,136 | - | 156,136 |
| Total comprehensive income | | - | - | 156,136 | 413,278 | 569,414 |
| Dividends | 10 | - | - | - | (159,117) | (159,117) |
| Transfer to/from profit and loss account | | - | - | 245,511 | (245,511) | - |
| Balance at 31 December 2023 | | 318,233 | 237,144 | 1,512,559 | 4,697,103 | 6,765,039 |
| Year ended 31 December 2024: | | | | | | |
| Profit for the year | | - | - | - | 263,363 | 263,363 |
| Other comprehensive income: | | | | | | |
| Revaluation of freehold property | | - | - | 292,000 | - | 292,000 |
| Total comprehensive income | | - | - | 292,000 | 263,363 | 555,363 |
| Dividends | 10 | - | - | - | (159,117) | (159,117) |
| Transfer to/from profit and loss account | | - | - | 315,197 | (315,197) | - |
| Balance at 31 December 2024 | | 318,233 | 237,144 | 2,119,756 | 4,486,152 | 7,161,285 |

The notes on pages 22 to 40 form part of these financial statements.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

| | Notes | Share capital £ | Share premium account £ | Revaluation reserve £ | Profit and loss reserves £ | Total £ |
|---|-------|--------------------|----------------------------------|-----------------------------|----------------------------------|------------|
| Balance at 1 January 2023 | | 318,233 | 237,144 | 1,110,912 | 4,709,946 | 6,376,235 |
| Year ended 31 December 2023: | | | | | | |
| Profit for the year | | - | - | - | 449,639 | 449,639 |
| Other comprehensive income: | | | | | | |
| Surplus on revaluation of freehold property | | - | - | 156,136 | - | 156,136 |
| Total comprehensive income | | - | - | 156,136 | 449,639 | 605,775 |
| Dividends | 10 | - | - | - | (159,117) | (159,117) |
| Transfer to/from profit and loss account | | - | - | 245,511 | (245,511) | - |
| Balance at 31 December 2023 | | 318,233 | 237,144 | 1,512,559 | 4,754,957 | 6,822,893 |
| Year ended 31 December 2024: | | | | | | |
| Profit for the year | | - | - | - | 238,461 | 238,461 |
| Other comprehensive income: | | | | | | |
| Revaluation of freehold property | | - | - | 292,000 | - | 292,000 |
| Total comprehensive income | | - | - | 292,000 | 238,461 | 530,461 |
| Dividends | 10 | - | - | - | (159,117) | (159,117) |
| Transfer to/from profit and loss account | | - | - | 315,197 | (315,197) | - |
| Balance at 31 December 2024 | | 318,233 | 237,144 | 2,119,756 | 4,519,104 | 7,194,237 |

The notes on pages 22 to 40 form part of these financial statements.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

| | Notes | 2024 | | 2023 | |
|--|-------|-----------|-------------------|-----------|-------------------|
| | | £ | £ | £ | £ |
| Cash flows from operating activities | | | | | |
| Cash absorbed by operations | 29 | | (38,933) | | (816,260) |
| Income taxes refunded | | | 673 | | - |
| | | | <u> </u> | | <u> </u> |
| Net cash outflow from operating activities | | | (38,260) | | (816,260) |
| Investing activities | | | | | |
| Purchase of intangible assets | | - | | (23,785) | |
| Purchase of tangible fixed assets | | (93,361) | | (31,716) | |
| Proceeds from disposal of tangible fixed assets | | 92,227 | | 1,600 | |
| Purchase of investment property | | (130,201) | | (251,597) | |
| Proceeds from disposal of investment property | | - | | 350,000 | |
| Interest received | | 66,007 | | 60,607 | |
| | | | <u> </u> | | <u> </u> |
| Net cash (used in)/generated from investing activities | | | (65,328) | | 105,109 |
| Financing activities | | | | | |
| Dividends paid to equity shareholders | | (159,117) | | (159,117) | |
| | | | <u> </u> | | <u> </u> |
| Net cash used in financing activities | | | (159,117) | | (159,117) |
| | | | <u> </u> | | <u> </u> |
| Net decrease in cash and cash equivalents | | | (262,705) | | (870,268) |
| Cash and cash equivalents at beginning of year | | | 2,203,321 | | 3,073,589 |
| | | | <u> </u> | | <u> </u> |
| Cash and cash equivalents at end of year | | | 1,940,616 | | 2,203,321 |
| | | | <u> </u> | | <u> </u> |

The notes on pages 22 to 40 form part of these financial statements.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Company information

The Penrith Farmers' and Kidd's plc is a public company limited by shares and is registered and incorporated in England and Wales. The registered office is Agricultural Hall, Skirsgill, Penrith, Cumbria CA11 0DN.

The company's principal activities and nature of its operations are disclosed in the Directors Report.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and 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, modified to include investment properties and certain financial instruments are fair value. The principal accounting policies adopted are set out below.

The 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 for parent company information presented within the consolidated financial statements:

- The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 September 2013.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.3 Going concern

The directors believe that the Company is in a strong position to withstand both foreseeable and unforeseeable changes to the economic outlook.

The Company holds significant, liquid assets to service current liabilities and the potential for losses whilst holding an investment property portfolio which generates strong rents and which are marketable assets for sale should that be necessary. The executive team are continually monitoring and updating future projections on a rolling 12-month basis and producing monthly, department-level management accounts which are compared to projections and prior periods, to ensure the Board are in a strong position to react swiftly to any changes in the economic environment. Accordingly, the directors do not believe there is any significant uncertainty over the Company's ability to trade as a going concern and that the preparation of the financial statements on a going concern basis remains appropriate.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services 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 discounts.

Turnover from estate agency and land agency commissions earned, stated net of VAT, in the connection with sale of land and properties is recognised on exchange of contracts.

1.5 Intangible fixed assets - goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated statement of comprehensive income over its useful economic life of 5 - 10 years.

1.6 Intangible fixed assets other than goodwill

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.

| | |
|----------|-------------------|
| Software | 20% straight line |
|----------|-------------------|

1.7 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.

Tangible fixed assets under the revaluation model, which only includes those properties held as Investment Properties in the individual Company's financial statements but are Operating Properties for group purposes, are stated at fair value determined from market-based evidence by appraisal by professionally qualified valuers. The fair value, therefore, is their market value.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following basis.

| | |
|-----------------------------|--|
| Freehold land and buildings | Nil - held at market value |
| Leasehold improvements | Straight line over the life of the lease |
| Plant and equipment | 10-20% straight line |
| Fixtures and fittings | 10% straight line |
| Computers | 20% straight line |
| Motor vehicles | 25% 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 opening date.

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

1.8 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently, it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.9 Fixed asset investments

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.12 Financial instruments

The group 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 assets are recognised when the company becomes party to the contractual provisions of the instrument.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

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.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

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 group 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.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade creditors and other 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.

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

1.13 Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.14 Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable,

Current tax and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relate to and is also charged or credited to other comprehensive income or equity.

Current tax

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits, as such deferred tax assets on fair value losses on investment properties have not been recognised.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the company to consume substantially all of its economic benefit) deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or the property.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

1.16 Retirement benefits

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

1.17 Leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

Valuation of investment properties

At 31 December 2024 Carigiet Cowen (a third party chartered surveyors) carried out a formal valuation of part of the investment property portfolio, based on open market value for existing use basis, with reference to rental yield, incorporating the perceived risks that the commercial property market may experience in the near and distant future.

The part of the investment property portfolio which was valued by Carigiet Cowen was the part that was considered by the directors to have had a material change during the year. The remainder of the portfolio was valued internally by relevant, qualified professionals.

3 Turnover and other revenue

All turnover arose within the United Kingdom.

| | 2024 | 2023 |
|--|----------------|----------------|
| | £ | £ |
| Other revenue | | |
| Commissions received | 1,131 | 1,770 |
| Rental income arising from investment properties | 328,994 | 271,918 |
| Renewable energy income | - | 15 |
| Profit/(loss) on disposal of investment property | - | (50,269) |
| Fair value uplift of investment property | 385,000 | 746,968 |
| | <u>715,125</u> | <u>970,402</u> |

4 Operating profit

| | 2024 | 2023 |
|---|----------------|----------------|
| | £ | £ |
| Operating profit for the year is stated after charging: | | |
| Depreciation of owned tangible fixed assets | 55,723 | 67,810 |
| Loss on disposal of tangible fixed assets | 10,203 | 10,658 |
| Amortisation of intangible assets | 69,643 | 53,458 |
| Impairment of intangible assets | 7,000 | - |
| Operating lease charges | 45,417 | 45,318 |
| | <u>187,986</u> | <u>177,244</u> |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

4 Operating profit **(Continued)**

Included within Cost of Sales are the costs of marketing properties and the incentive-based commissions paid to staff for generating sales, which would be expected to fluctuate with overall sales activity. Costs, such as the fixed salaries of staff and expenses relating to the running of the offices, which do not fluctuate significantly with sales activity, are included within administrative expenses.

5 Auditor's remuneration

| | 2024 | 2023 |
|--|-------------------|-------------------|
| | £ | £ |
| Fees payable to the company's auditor and associates: | | |
| For audit services | | |
| Audit of the financial statements of the group and company | 10,950 | 17,500 |
| | <u> </u> | <u> </u> |

6 Employees

The average monthly number of persons (including directors, but excluding non-executive directors) employed by the group and company during the year was:

| | Group | 2023 | Company | 2023 |
|--|-------------------|-------------------|-------------------|-------------------|
| | 2024 | Number | 2024 | Number |
| | Number | Number | Number | Number |
| | 39 | 41 | 6 | 34 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

Their aggregate remuneration comprised:

| | Group | 2023 | Company | 2023 |
|-----------------------|-------------------|-------------------|-------------------|-------------------|
| | 2024 | £ | 2024 | £ |
| | £ | £ | £ | £ |
| Wages and salaries | 1,527,864 | 1,419,627 | 275,718 | 995,706 |
| Social security costs | 158,586 | 144,305 | 22,924 | 102,482 |
| Pension costs | 92,245 | 83,189 | 12,415 | 70,816 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | 1,778,695 | 1,647,121 | 311,057 | 1,169,004 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

7 Directors' remuneration

| | 2024 | 2023 |
|---|-------------------|-------------------|
| | £ | £ |
| Remuneration for qualifying services | 409,228 | 442,950 |
| Company pension contributions to defined contribution schemes | 11,167 | 14,965 |
| | <u> </u> | <u> </u> |
| | 420,395 | 457,915 |
| | <u> </u> | <u> </u> |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

7 Directors' remuneration **(Continued)**

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2023 - 5).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

| | 2024 | 2023 |
|---|----------------|---------------|
| | £ | £ |
| Remuneration for qualifying services | 111,319 | 94,540 |
| Company pension contributions to defined contribution schemes | 3,694 | 1,508 |
| | <u>115,013</u> | <u>96,048</u> |

8 Interest receivable and similar income

| | 2024 | 2023 |
|---------------------------|---------------|---------------|
| | £ | £ |
| Interest income | | |
| Interest on bank deposits | 66,007 | 60,607 |
| | <u>66,007</u> | <u>60,607</u> |

9 Taxation

| | 2024 | 2023 |
|--|---------------|-----------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax on profits for the current period | - | (12,792) |
| Adjustments in respect of prior periods | (673) | - |
| | <u>(673)</u> | <u>(12,792)</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 16,309 | 17,203 |
| | <u>16,309</u> | <u>17,203</u> |
| Total tax charge | <u>15,636</u> | <u>4,411</u> |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

9 Taxation **(Continued)**

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:

| | 2024 | 2023 |
|--|-------------------|-------------------|
| | £ | £ |
| Profit before taxation | 278,999 | 417,689 |
| | <u> </u> | <u> </u> |
| Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2023: 25.00%) | 69,750 | 104,422 |
| Tax effect of expenses that are not deductible in determining taxable profit | 21,702 | (166,573) |
| Tax effect of income not taxable in determining taxable profit | (96,250) | - |
| Gains not taxable | - | 30,995 |
| Adjustments in respect of prior years | (674) | (12,792) |
| Permanent capital allowances in excess of depreciation | 13,214 | 21,514 |
| Movement in deferred tax | 16,309 | 17,203 |
| Utilisation of tax losses | (8,357) | 12,929 |
| Movement in short term timing differences | (58) | (3,287) |
| | <u> </u> | <u> </u> |
| Taxation charge | 15,636 | 4,411 |
| | <u> </u> | <u> </u> |

| 10 Dividends | 2024 | 2023 |
|--|-------------------|-------------------|
| | £ | £ |
| Recognised as distributions to equity holders: | | |
| Final paid | 159,117 | 159,117 |
| | <u> </u> | <u> </u> |

11 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

| | 2024 | 2023 |
|-------------------------|-------------------|-------------------|
| | £ | £ |
| In respect of: | | |
| Goodwill | 7,000 | - |
| | <u> </u> | <u> </u> |
| Recognised in: | | |
| Administrative expenses | 7,000 | - |
| | <u> </u> | <u> </u> |

The impairment losses in respect of financial assets are recognised in other gains and losses in the income statement.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

12 Intangible fixed assets

| Group | Goodwill | Software | Total |
|--|-----------------|-----------------|--------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 January 2024 and 31 December 2024 | 574,668 | 49,511 | 624,179 |
| Amortisation and impairment | | | |
| At 1 January 2024 | 171,183 | 21,009 | 192,192 |
| Amortisation charged for the year | 59,741 | 9,902 | 69,643 |
| Impairment losses | 7,000 | - | 7,000 |
| At 31 December 2024 | 237,924 | 30,911 | 268,835 |
| Carrying amount | | | |
| At 31 December 2024 | 336,744 | 18,600 | 355,344 |
| At 31 December 2023 | 403,485 | 28,502 | 431,987 |
| Company | Goodwill | Software | Total |
| | £ | £ | £ |
| Cost | | | |
| At 1 January 2024 | 22,738 | 11,732 | 34,470 |
| Disposals | (22,738) | - | (22,738) |
| At 31 December 2024 | - | 11,732 | 11,732 |
| Amortisation and impairment | | | |
| At 1 January 2024 | 10,990 | 7,220 | 18,210 |
| Amortisation charged for the year | - | 2,346 | 2,346 |
| Disposals | (10,990) | - | (10,990) |
| At 31 December 2024 | - | 9,566 | 9,566 |
| Carrying amount | | | |
| At 31 December 2024 | - | 2,166 | 2,166 |
| At 31 December 2023 | 11,748 | 4,512 | 16,260 |

More information on impairment movements in the year is given in note 11.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

| 13 Tangible fixed assets | Group | Freehold land and buildings | Leasehold improvements | Plant and equipment | Fixtures and fittings | Computers | Motor vehicles | Total |
|------------------------------------|------------------------------------|-----------------------------|------------------------|---------------------|-----------------------|-----------|----------------|-----------|
| | | £ | £ | £ | £ | £ | £ | £ |
| Cost or valuation | | | | | | | | |
| | At 1 January 2024 | 566,877 | 32,059 | 30,954 | 176,588 | 192,379 | 9,495 | 1,008,352 |
| | Additions | 77,500 | - | - | 177 | 15,684 | - | 93,361 |
| | Disposals | (95,000) | (6,125) | (1,842) | (593) | (2,195) | (9,495) | (115,250) |
| | Revaluation | 128,123 | - | - | - | - | - | 128,123 |
| | At 31 December 2024 | 677,500 | 25,934 | 29,112 | 176,172 | 205,868 | - | 1,114,586 |
| Depreciation and impairment | | | | | | | | |
| | At 1 January 2024 | 163,878 | 31,373 | 23,644 | 151,793 | 67,675 | 4,717 | 443,080 |
| | Depreciation charged in the year | - | 686 | 3,096 | 5,535 | 45,610 | 796 | 55,723 |
| | Eliminated in respect of disposals | - | (6,125) | (833) | (166) | (183) | (5,513) | (12,820) |
| | Revaluation | (163,878) | - | - | - | - | - | (163,878) |
| | At 31 December 2024 | - | 25,934 | 25,907 | 157,162 | 113,102 | - | 322,105 |
| Carrying amount | | | | | | | | |
| | At 31 December 2024 | 677,500 | - | 3,205 | 19,010 | 92,766 | - | 792,481 |
| | At 31 December 2023 | 402,999 | 686 | 7,310 | 24,795 | 124,704 | 4,778 | 565,272 |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

| Company | Freehold land and buildings | Leasehold improvements | Plant and equipment | Fixtures and fittings | Computers | Total |
|------------------------------------|------------------------------------|-------------------------------|----------------------------|------------------------------|------------------|--------------|
| | £ | £ | £ | £ | £ | £ |
| Cost or valuation | | | | | | |
| At 1 January 2024 | 566,877 | 6,125 | 9,926 | 140,984 | 132,742 | 856,654 |
| Additions | - | - | - | - | 1,461 | 1,461 |
| Disposals | - | (6,125) | (8,927) | (140,290) | (92,937) | (248,279) |
| Transfer to investment property | (566,877) | - | - | - | - | (566,877) |
| At 31 December 2024 | - | - | 999 | 694 | 41,266 | 42,959 |
| Depreciation and impairment | | | | | | |
| At 1 January 2024 | 163,878 | 5,439 | 7,461 | 130,725 | 53,617 | 361,120 |
| Depreciation charged in the year | - | - | 100 | 69 | 16,310 | 16,479 |
| Eliminated in respect of disposals | - | (5,439) | (6,820) | (130,529) | (32,636) | (175,424) |
| Transfer to investment property | (163,878) | - | - | - | - | (163,878) |
| At 31 December 2024 | - | - | 741 | 265 | 37,291 | 38,297 |
| Carrying amount | | | | | | |
| At 31 December 2024 | - | - | 258 | 429 | 3,975 | 4,662 |
| At 31 December 2023 | 402,999 | 686 | 2,465 | 10,259 | 79,125 | 495,534 |

Group land and buildings with a carrying amount of £600,000 were internally revalued, on the basis of market value, by the board of directors, who are deemed suitably qualified to perform the valuation. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The following assets are carried at valuation. If the assets were measured using the cost model, the carrying amounts would be as follows:

| | 2024 | 2023 |
|--------------------------|-------------|-------------|
| | £ | £ |
| Group | | |
| Cost | 611,946 | 566,877 |
| Accumulated depreciation | (160,598) | (163,878) |
| Carrying value | 451,348 | 402,999 |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 Investment property

| | Group 2024 | Company 2024 |
|--|-----------------------|-------------------------|
| | £ | £ |
| Fair value | | |
| At 1 January 2024 | 3,390,000 | 3,390,000 |
| Additions through external acquisition | 130,201 | 130,201 |
| Transfers from owner-occupied property | - | 695,000 |
| Disposals | - | (95,000) |
| Net gains or losses through fair value adjustments | 385,000 | 385,000 |
| | <u>3,905,201</u> | <u>4,505,201</u> |
| At 31 December 2024 | <u>3,905,201</u> | <u>4,505,201</u> |

The fair value of the investment property has been arrived at, partly on the basis of a valuation carried out in 2024 by Carigiet & Cowan Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. The fair value of the remainder of the investment property portfolio has been arrived at on the basis of an internal valuation by the board of directors, who are deemed suitably qualified to perform the valuation.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

| | Group 2024 | 2023 | Company 2024 | 2023 |
|--------------------------|-----------------------|----------------|-------------------------|----------------|
| | £ | £ | £ | £ |
| Cost | 2,209,511 | 2,090,431 | 2,209,511 | 2,090,431 |
| Accumulated depreciation | (1,164,180) | (1,119,991) | (1,164,180) | (1,119,991) |
| Carrying amount | <u>1,045,331</u> | <u>970,440</u> | <u>1,045,331</u> | <u>970,440</u> |

15 Fixed asset investments

| | | Group 2024 | 2023 | Company 2024 | 2023 |
|-----------------------------|--------------|-----------------------|-------------|-------------------------|----------------|
| | Notes | £ | £ | £ | £ |
| Investments in subsidiaries | 16 | - | - | 586,167 | 586,167 |
| | | <u>-</u> | <u>-</u> | <u>586,167</u> | <u>586,167</u> |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

15 Fixed asset investments **(Continued)**

**Movements in fixed asset investments
Company**

Cost or valuation

At 1 January 2024 and 31 December 2024

**Shares in
subsidiaries
£**

586,167

Carrying amount

At 31 December 2024

586,167

At 31 December 2023

586,167

16 Subsidiaries

Details of the company's subsidiaries at 31 December 2024 are as follows:

| Name of undertaking | Registered office | Class of shares held | % Held Direct |
|---------------------------|---|----------------------|---------------|
| PFK Rural Limited | 10 The Courtyard Edenhall, Penrith, Cumbria, England CA11 8ST | Ordinary | 100.00 |
| PFK Estate Agency Limited | Devonshire Chambers, 9-10 Devonshire Street, Penrith, Cumbria, United Kingdom, CA11 7SS | Ordinary | 100.00 |

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

| Name of undertaking | Capital and Reserves £ | Profit/(Loss) £ |
|---------------------------|---------------------------|--------------------|
| PFK Rural Limited | 165,677 | 6,999 |
| PFK Estate Agency Limited | 57,994 | 59,096 |

The subsidiaries PFK Estate Limited (Company Number 14706474) and PFK Rural Limited (Company Number 09470245) are exempt from the requirements of Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A. The parent undertaking, Penrith Farmers and Kidd's PLC has provided guarantees under section 479C in respect of the year ended 31 December 2024.

17 Financial instruments

| | Group 2024 £ | 2023 £ | Company 2024 £ | 2023 £ |
|---|--------------------|-----------|----------------------|-----------|
| Carrying amount of financial assets include: | | | | |
| Instruments measured at fair value through profit or loss | 1,940,616 | 2,203,321 | 1,531,598 | 2,128,764 |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

18 Debtors

| | Group | | Company | |
|---|----------------|----------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Amounts falling due within one year: | | | | |
| Trade debtors | 314,684 | 323,510 | 34,022 | 67,434 |
| Inter-company debtors | - | - | 697,482 | 337,491 |
| Prepayments and accrued income | 391,374 | 357,714 | 201,911 | 236,122 |
| | <u>706,058</u> | <u>681,224</u> | <u>933,415</u> | <u>641,047</u> |

19 Creditors: amounts falling due within one year

| | Group | | Company | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Trade creditors | 29,682 | 34,087 | 10,703 | 29,968 |
| Other taxation and social security | 141,716 | 127,872 | 15,020 | 78,796 |
| Other creditors | 135,059 | 22,917 | 139,484 | 2,329 |
| Accruals and deferred income | 100,286 | 73,193 | 69,623 | 73,193 |
| | <u>406,743</u> | <u>258,069</u> | <u>234,830</u> | <u>184,286</u> |

The company has provided security to Handelsbanken PLC via a floating charge over the assets of the company.

20 Creditors: amounts falling due after more than one year

| | Group | | Company | |
|------------------------|--------------|----------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Deferred consideration | - | 133,334 | - | 133,334 |
| | <u>-</u> | <u>133,334</u> | <u>-</u> | <u>133,334</u> |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

21 Deferred taxation

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

| | Liabilities 2024 | Liabilities 2023 |
|--------------------------------|-----------------------------|-----------------------------|
| | £ | £ |
| Group | | |
| Accelerated capital allowances | (1,070) | 7,311 |
| Tax losses | (4,405) | (8,439) |
| Revaluations | 138,397 | 116,491 |
| Short term timing differences | (1,250) | - |
| | 131,672 | 115,363 |
| | 131,672 | 115,363 |
| | Liabilities 2024 | Liabilities 2023 |
| | £ | £ |
| Company | | |
| Accelerated capital allowances | 150 | 7,401 |
| Tax losses | (4,405) | (6,632) |
| Revaluations | 138,397 | 116,491 |
| | 134,142 | 117,260 |
| | 134,142 | 117,260 |
| | Group 2024 | Company 2024 |
| | £ | £ |
| Movements in the year: | | |
| Liability at 1 January 2024 | 115,363 | 117,260 |
| Charge to profit or loss | 16,309 | 16,882 |
| | 131,672 | 134,142 |
| Liability at 31 December 2024 | 131,672 | 134,142 |

22 Retirement benefit schemes

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £92,246 (2023: £84,194). Contributions of £1,050 (2023: £1,948) remained outstanding at the balance sheet date.

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Share capital

| Group and company | 2024 | 2023 | 2024 | 2023 |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Ordinary share capital | Number | Number | £ | £ |
| Issued and fully paid of £1 each | 318,233 | 318,233 | 318,233 | 318,233 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

All shares have full voting, distribution and capital rights and are non-redeemable.

24 Reserves

Share premium

Records amounts received above the nominal value of the shares allotted, less any transaction costs incurred.

Revaluation reserve

This reserve records asset revaluations and fair value movements on assets recognised in other operating income.

Any gains or losses on fair value adjustments that are recognised in the Statement of Comprehensive Income are transferred to the fair value reserve in the year that they arise. Upon realisation of the fair value gains or losses due to disposals of related assets the relevant amount is transferred into profit and loss reserves.

Profit and loss reserves

Records accumulated profits and losses, net of distributions to owners.

25 Operating lease commitments

Lessee

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

| | Group | | Company | |
|----------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Within one year | 6,100 | 17,295 | 6,100 | 17,295 |
| Between two and five years | - | 6,100 | - | 6,100 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | <u>6,100</u> | <u>23,395</u> | <u>6,100</u> | <u>23,395</u> |

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

26 Related party transactions

A director of Penrith Farmers and Kidds PLC is also a director of The Hawksdale Trading Company Ltd. During the year £1,000 (2023: £0) was paid through Penrith Farmers and Kidds PLC to The Hawksdale Trading Company Ltd in relation to consultancy services. During the year commission of £2,743 excluding VAT was paid to PFK Estate Agency Limited by the Hawksdale Trading Company Ltd.

A director of Penrith Farmers and Kidds PLC is also a director of Red Rose (Cumbria) Ltd. During the year commission of £6,475 excluding VAT was paid to PFK Estate Agency by Red Rose (Cumbria) Ltd.

During the year, close family members of directors were paid remuneration in the region of £25,000 - £29,999 (2023: £40,000 - £44,999) by the entities within the Group. The level of remuneration is under normal market conditions for the roles carried out.

27 Controlling party

The Directors consider there to be no ultimate controlling party.

28 Investment property profit and loss

| | 2024 | 2023 |
|-----------------------------|------------------|------------------|
| | £ | £ |
| Gross rental income | 373,144 | 271,918 |
| Directly attributable costs | <u>(161,636)</u> | <u>(117,769)</u> |
| Net rental income | 211,508 | 154,149 |

Other operating income within the consolidated statement of comprehensive Income and related note 3 detail only the gross rental income received from the investment property portfolio and does not take in to account the significant, directly attributable costs related to generating this income. These include necessary upgrades to properties, marketing and legal costs on changes of tenants and the costs associated with vacant properties

PENRITH FARMERS' AND KIDD'S PUBLIC LIMITED COMPANY (THE)

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

| | | | | |
|-----------|--|-----------------------|-------------------|-------------------------|
| 29 | Cash absorbed by group operations | 2024 | 2023 | |
| | | £ | £ | |
| | Profit after taxation | 263,363 | 413,279 | |
| | Adjustments for: | | | |
| | Taxation charged | 15,636 | 4,411 | |
| | Investment income | (66,007) | (60,608) | |
| | Loss on disposal of tangible fixed assets | 10,203 | 10,658 | |
| | (Gain)/loss on disposal of investment property | - | 15,000 | |
| | Corporation tax received/(paid) | - | 12,792 | |
| | Fair value gain on investment properties | (385,000) | (746,968) | |
| | Amortisation and impairment of intangible assets | 76,643 | 43,443 | |
| | Depreciation and impairment of tangible fixed assets | 55,723 | 57,318 | |
| | Movements in working capital: | | | |
| | Increase in debtors | (24,834) | (24,213) | |
| | Increase/(decrease) in creditors | 15,340 | (541,372) | |
| | Cash absorbed by operations | <u>(38,933)</u> | <u>(816,260)</u> | |
| 30 | Analysis of changes in net funds - group | 1 January 2024 | Cash flows | 31 December 2024 |
| | | £ | £ | £ |
| | Cash at bank and in hand | <u>2,203,321</u> | <u>(262,705)</u> | <u>1,940,616</u> |

31 Off balance sheet arrangements

There is a separate bank account called the dividend bank account which is also under the Company's control. This account is used to hold the cash payable to shareholders in respect of unclaimed dividend payments. The balance of this account at the year end date was £58,487 (2023: £43,959). This has been omitted from the above cash at bank and in hand balance on the basis that the company has no rights to the funds.