

6th April 2022



Lyndsey Fisher

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Dear Lyndsey

Re - Torriad Farm, Bowling Bank, Wrexham, LL13 9RT

Further to our recent discussions, please find attached;

1/ P&L accounts from the Xero accounting package for Torriad Farm from May 2021 to Feb 2022. This shows a profit before depreciation of £88,268 for the 10 month period.

2/ Budgets for April 2022 to March 2023 – ie the first full trading year for the business. This shows a profit forecast of £155,027 for the year. The farm is now fully up and running, so I would not anticipate any major changes to the profits in subsequent years, as the business sells milk to Tesco on a cost of production model. Hence the profit margins are relatively fixed as the milk price fluctuates directly in line with movements in the cost of production.

Your sincerely

Neil Blackburn, Managing Partner, 07980 917555

Profit and Loss

Torriad Farms Limited

For the 10 months ended 28 February 2022

MAY 2021-FEB 2022

Turnover

Calves- Sale	8,611
Cull Cows Sales	24,966
Milk Sales	704,720
Other Livestock Sales	602
Rent Received	1,081
Total Turnover	739,981

Cost of Sales

Dairy Heifer Purchases 0-5 months	56,890
Dairy Heifer Purchases 18-23 months	1,000
Feed Blends	138,940
Feed Compound	10,081
Feed Milk Powder	5,482
Feed Minerals	6,094
Feed Roughages	13,470
Feed Straights	63,852
Office Livestock	7,568
Seeds	1,473
Semen & AI	15,340
Sprays	911
Sundries Chemicals	7,394
Sundries- Crops	8,889
Sundries Livestock	10,793
Sundries-Bedding	508
Transport Livestock	1,234
Vet Fees	27,496
Vet Vaccines	(24)
Total Cost of Sales	377,388

Gross Profit

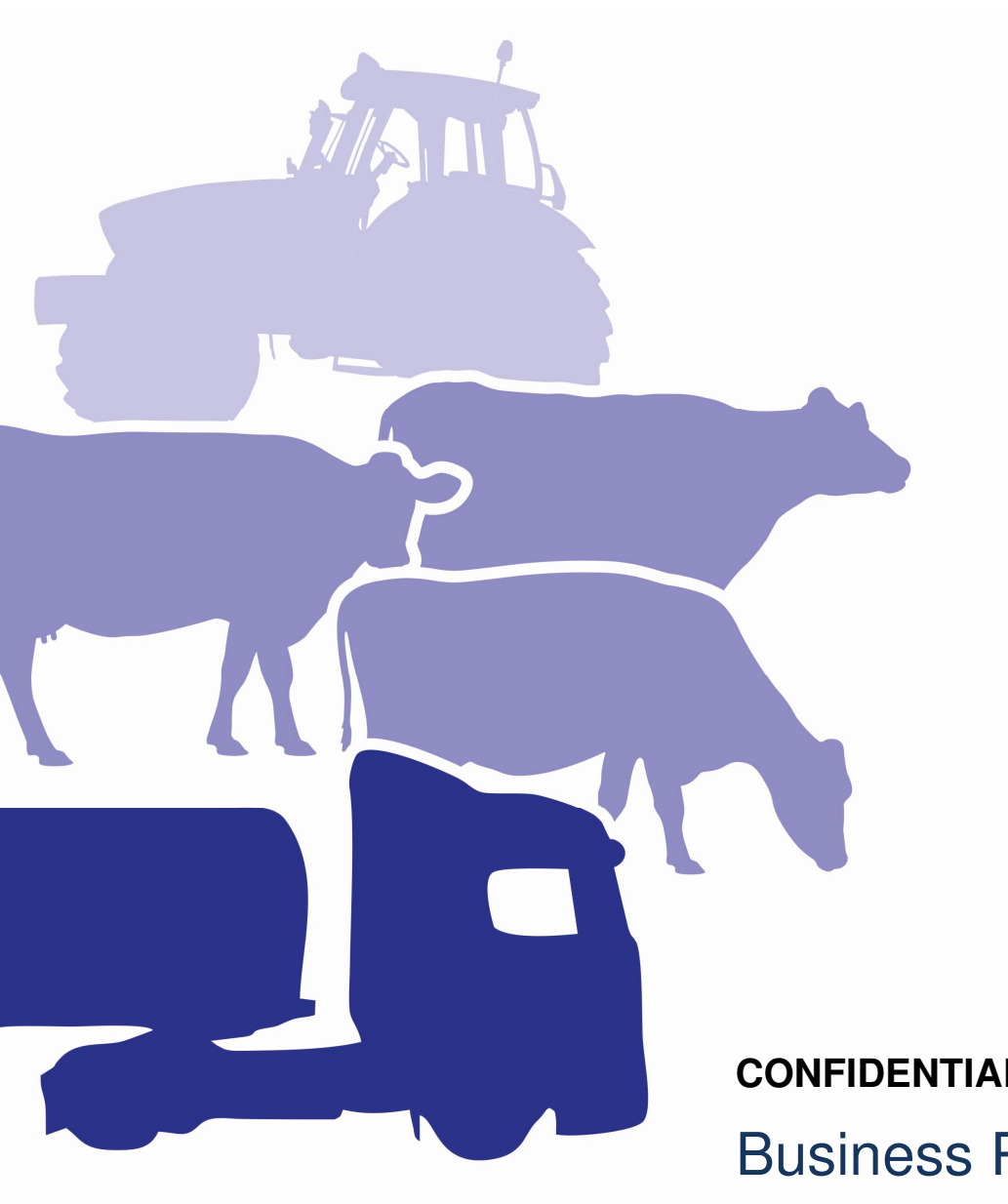
362,593

Administrative Costs

Bank Charges	297
Contract- Forage	14,138
Contract General	777
Council Tax&Rates	545
Credit Charges	16
Electric- Farm	18,745
Farm Repairs Buildings	4,827
Farm Repairs Other	20,550
Fuel & Oil Misc	991
Fuel- Agric Diesel	7,046

MAY 2021-FEB 2022

Fuel- Petrol	12
Fuel- Road Diesel	20
Hire Charges Unall	1,490
Insurance- General	6,675
Interest-HP	485
Office Exp-Other	150
Professional Fees	11,938
Rent Paid	119,099
Repairs Farm Vehicle	715
Repairs Imps/Misc	5,624
Repairs Parlour	24,265
Repairs Tractor	6,214
Subscriptions	120
Sundries Unal	1,405
Wages Pen Cont	474
Wages- Regular	13,251
Wages-Contract Labr	44,740
Wages-NI & PAYE	2,615
Water	13,667
Total Administrative Costs	320,889
Operating Profit	41,704
Other Income	
Grants-Other	46,564
Total Other Income	46,564
Profit on Ordinary Activities Before Taxation	88,268
Profit after Taxation	88,268



CONFIDENTIAL

Business Plan; 2022-23

Apr-2022

Prepared for:

**Torriad Farms Ltd
Bowling Bank
Wrexham
LL13 9RT**

Prepared by:

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BUDGETS FOR 2022/23

MAIN ASSUMPTIONS USED IN THE FORECAST

Receipts

- | | | |
|----|--------------------|--|
| 1. | Milk | 3,700,000 litres (370 cows @ 10,000 litres) @ 40.50 ppl
(10,137 litres/day) |
| 2. | Cull Cows | 60 @ £800/head |
| 3. | Calves | 200 @ £150/head |
| 4. | Heifers to Hoseley | 100 @ £500 |
| 5. | SFP | £17,700 |

Payments

- | | | |
|-----|------------------------|--|
| 1. | Heifer Purchases | 72 @ £2,000/head |
| 2. | Dairy Conc. | 13.0 ppl |
| 3. | Youngstock Feed | 130 head x 700 kg /head = 91 tonnes @ £350/tonne |
| 4. | Milk Powder | 12 tonnes @ £2,500/tonne |
| 5. | Standing crop | 180 acres @ £650/ac |
| 6. | Straw/bedding | 2,000 sand haulage @ £5/t & 100 tonnes of straw @ £100/t |
| 7. | Vet & Med | 1.0 ppl |
| 8. | Semen/ RMS | £65/cow x 370 cows/heifers |
| 9. | Fertiliser/seed/sprays | £69,200/yr |
| 10. | Labour | £120,000 – including Andrew |
| 11. | Contracting | £85,000/yr |
| 12. | Rent | Local - £20,890/yr
Hoseley – £86,671/yr |
| 13. | | All other trading payments are based on last year's actual results and adjusted for current market prices and inflation. |
| 14. | Capital | Borehole - £12,000 |
| 15. | Corporation Tax | £15,000 |

Torriad Farms Ltd

PROFIT & LOSS FORECAST

	22 - 23
	£
TURNOVER	
Milk	1,500,573
Cull Cows	48,000
Calves	30,000
Heifers to Hoseley	50,000
Other Sundry Receipts	12
BPS & Subsidies	17,700
VAT Refunded	82,860
Valuations	1
	<u>1,729,146</u>
DIRECT COSTS	
Heifer Purchases	144,000
Dairy Feed	481,000
Youngstock Feed	31,850
Milk Powder	30,000
Maize - standing or clamp	117,000
Vet & Med	37,000
RMS & Semen	24,050
Dairy Sundries	20,000
Youngstock Sundries	9,000
Milk Recording	5,250
Straw & Bedding	20,000
Fertiliser	46,400
Seed	8,100
Spray	6,000
Crop Sundries	8,700
	<u>988,350</u>
GROSS PROFIT	740,796
OVERHEADS	
Regular Labour	120,000
Contract & Hire	85,000
Machinery Repairs	24,000
Fuel & Oil	32,000
Electricity	37,000
Rent	20,890
Rent - Hoseley	86,671
Property Repairs	18,000
Parlour Repairs	12,000
Insurance	9,600
Water	10,400
Sundries	3,600
Telephone & Office	3,000
Professional Fees	12,600
Bank Charges	1,500
VAT on Inputs	82,860
	<u>559,121</u>
OTHER COSTS	
Depreciation	
Buildings & Fixtures	2,090
Machinery & Equipment	21,000
Sub-Total	<u>23,090</u>
	<u>23,090</u>
OPERATING PROFIT	158,585
INTEREST EXPENSE	
Loan Interest	
HP-JCB Interest	848
HP - Fans Interest	881
HP - NT-TM155-2022 Interest	1,829
Sub-Total	<u>3,558</u>
TOTAL	<u>3,558</u>
NET PROFIT	<u><u>155,027</u></u>

Torriad Farms Ltd

CASH FLOW FORECAST

	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
RECEIPTS													
Milk	110,000	122,200	127,527	127,526	127,527	122,100	118,030	127,527	127,527	127,526	127,527	118,030	1,483,047
Cull Cows	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
Calves	2,550	2,400	2,550	2,550	2,400	2,550	2,550	2,400	2,550	2,550	2,400	2,550	30,000
Heifers to Hoseley	4,000	4,500	4,000	4,000	4,500	4,000	4,000	4,500	4,000	4,000	4,500	4,000	50,000
Other Sundry Receipts	1	1	1	1	1	1	1	1	1	1	1	1	12
BPS & Subsidies	-	-	-	-	-	-	-	-	13,770	3,930	-	-	17,700
VAT Refunded	3,292	4,297	8,396	8,557	8,097	7,970	8,050	8,096	4,577	8,537	8,536	3,850	82,255
	<u>123,843</u>	<u>137,398</u>	<u>146,474</u>	<u>146,634</u>	<u>146,525</u>	<u>140,621</u>	<u>136,631</u>	<u>146,524</u>	<u>156,425</u>	<u>150,544</u>	<u>146,964</u>	<u>132,431</u>	<u>1,711,014</u>
PAYMENTS													
Heifer Purchases	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	144,000
Dairy Feed	37,600	40,733	40,734	40,733	40,733	39,000	37,700	40,734	40,733	40,733	40,734	37,700	477,867
Youngstock Feed	2,800	2,450	2,800	2,450	2,800	2,450	2,800	2,800	2,450	2,800	2,450	2,800	31,850
Milk Powder	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Maize - standing or clamp	-	19,500	19,500	19,500	19,500	19,500	19,500	-	-	-	-	-	117,000
Vet & Med	3,133	3,134	3,133	3,133	3,000	2,900	3,134	3,133	3,133	3,134	2,900	3,133	37,000
RMS & Semen	2,004	2,004	2,005	2,004	2,004	2,004	2,004	2,004	2,005	2,004	2,004	2,004	24,050
Dairy Sundries	1,667	1,666	1,667	1,667	1,666	1,667	1,667	1,666	1,667	1,667	1,666	1,667	20,000
Youngstock Sundries	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Milk Recording	438	437	438	437	438	437	438	437	438	437	438	437	5,250
Straw & Bedding	1,700	1,600	1,700	1,700	1,600	1,700	1,700	1,600	1,700	1,700	1,600	1,700	20,000
Fertiliser	-	-	-	-	-	-	-	-	23,200	23,200	-	-	46,400
Seed	-	5,600	-	-	2,500	-	-	-	-	-	-	-	8,100
Spray	2,000	1,000	2,000	-	1,000	-	-	-	-	-	-	-	6,000
Crop Sundries	-	2,000	1,800	1,500	-	1,500	1,500	400	-	-	-	-	8,700
Regular Labour	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Contract & Hire	7,083	7,084	7,083	7,083	7,084	7,083	7,083	7,084	7,083	7,083	7,084	7,083	85,000
Machinery Repairs	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Fuel & Oil	2,667	2,666	2,667	2,667	2,666	2,667	2,667	2,666	2,667	2,667	2,666	2,667	32,000
Electricity	3,133	3,134	3,133	3,133	3,000	2,900	3,134	3,133	3,133	3,134	2,900	3,133	37,000
Rent	1,741	1,741	1,740	1,741	1,741	1,741	1,741	1,741	1,740	1,741	1,741	1,741	20,890
Rent - Hoseley	7,223	7,222	7,223	7,222	7,223	7,222	7,223	7,223	7,222	7,223	7,222	7,223	86,671
Hoseley - back pay	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
Property Repairs	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Parlour Repairs	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Insurance	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Water	-	-	-	-	9,000	200	200	200	200	200	200	200	10,400
Sundries	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Telephone & Office	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Professional Fees	800	800	800	800	800	800	800	3,800	800	800	800	800	12,600
Bank Charges	125	125	125	125	125	125	125	125	125	125	125	125	1,500
VAT on Inputs	4,297	8,396	8,557	8,097	7,970	8,050	8,096	4,577	8,537	8,536	3,850	3,897	82,860
Loan Payments													
HP-JCB	887	887	887	887	887	887	887	887	887	887	887	887	10,644
HP - Fans	362	363	362	362	363	362	362	363	362	362	363	362	4,348
HP - NT-TM155-2022	962	963	962	962	963	962	962	963	962	962	963	962	11,548
Sub-Total	<u>2,211</u>	<u>2,213</u>	<u>2,211</u>	<u>2,211</u>	<u>2,213</u>	<u>2,211</u>	<u>2,211</u>	<u>2,213</u>	<u>2,211</u>	<u>2,211</u>	<u>2,213</u>	<u>2,211</u>	<u>26,540</u>
Corporation Tax	-	-	-	-	-	-	-	-	-	15,000	-	-	15,000
Buildings & Fixtures	-	-	-	12,000	-	-	-	-	-	-	-	-	12,000
	<u>117,722</u>	<u>150,605</u>	<u>146,416</u>	<u>155,303</u>	<u>154,163</u>	<u>141,257</u>	<u>140,823</u>	<u>122,636</u>	<u>146,144</u>	<u>161,495</u>	<u>117,693</u>	<u>115,621</u>	<u>1,669,878</u>
NET CASH FLOW	<u>6,121</u>	<u>(13,207)</u>	<u>58</u>	<u>(8,669)</u>	<u>(7,638)</u>	<u>(636)</u>	<u>(4,192)</u>	<u>23,888</u>	<u>10,281</u>	<u>(10,951)</u>	<u>29,271</u>	<u>16,810</u>	<u>41,136</u>
OPENING BANK	29,410	35,531	22,324	22,382	13,713	6,075	5,439	1,247	25,135	35,416	24,465	53,736	29,410
CLOSING BANK	35,531	22,324	22,382	13,713	6,075	5,439	1,247	25,135	35,416	24,465	53,736	70,546	70,546

Torriad Farms Ltd

BALANCE SHEET FORECAST

	Opening £	22 - 23 £
FIXED ASSETS		
Land & Property	1	1
Buildings & Fixtures	200,000	212,000
Machinery & Equipment	140,000	140,000
Accumulated Depreciation	-	(23,090)
	<u>340,001</u>	<u>328,911</u>
CURRENT ASSETS		
Bank	29,410	70,546
Trade Debtors	113,292	131,423
Stock On Hand	176,666	176,667
	<u>319,368</u>	<u>378,636</u>
CREDITORS DUE WITHIN ONE YEAR		
Trade Creditors	109,600	40,733
HP-JCB	9,796	10,260
HP - Fans	3,467	3,644
HP - NT-TM155-2022	9,719	10,216
	<u>132,582</u>	<u>64,853</u>
NET CURRENT ASSETS	186,786	313,783
CREDITORS DUE AFTER ONE YEAR		
HP-JCB	12,900	2,640
HP - Fans	15,733	12,089
HP - NT-TM155-2022	31,281	21,065
	<u>59,914</u>	<u>35,794</u>
TOTAL NET ASSETS	<u>466,873</u>	<u>606,900</u>
CAPITAL & RESERVES		
Personal Drawings	(12)	(12)
Corporation Tax	-	(15,000)
Retained Earnings	466,885	621,912
	<u>466,873</u>	<u>606,900</u>