COMPANY REGISTRATION NUMBER: 01227521

John Davies (Farms) Limited

Filleted Unaudited Financial Statements

31 December 2017

HOWELL DAVIES LIMITED
Chartered accountant
Tudor House
37a Birmingham New Road
Wolverhampton
West Midlands
WV4 6BL

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John Davies (Farms) Limited

Financial Statements

Year ended 31 December 2017

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John Davies (Farms) Limited

Officers and Professional Advisers

The Board of Directors	E L Davies S J Fox-Davies J Davies J D M Davies
Company Secretary	S J Fox-Davies
Registered Office	Swancote Farm Bridgnorth Shropshire WV15 5HD
Accountants	Howell Davies Limited Chartered accountant Tudor House 37a Birmingham New Road Wolverhampton West Midlands WV4 6BL

John Davies (Farms) Limited

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of John Davies (Farms) Limited

Year ended 31 December 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of John Davies (Farms) Limited for the year ended 31 December 2017, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/membership/regulations-standards-and-guidance.

Our work has been undertaken in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation.

HOWELL DAVIES LIMITED
Chartered accountant

Tudor House
37a Birmingham New Road
Wolverhampton
West Midlands
WV4 6BL

21 September 2018

John Davies (Farms) Limited

Statement of Financial Position

31 December 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed Assets					
Tangible assets	6		9,329,592		*9,337,867*
Current Assets					
Stocks		60,579		*75,065*	
Debtors	7	203,457		*167,206*	
Cash at bank and in hand		104,092		–	
		368,128		*242,271*	
Creditors: amounts falling due within one year	8	1,012,440		*1,205,618*	
Net Current Liabilities			644,312		*963,347*
Total Assets Less Current Liabilities			8,685,280		*8,374,520*
Creditors: amounts falling due after more than one year	9		994,129		*768,580*
Provisions					
Taxation including deferred tax			934,253		*80,047*
Net Assets			6,756,898		*7,525,893*
Capital and Reserves					
Called up share capital			330,000		*330,000*
Fair value reserve			5,461,040		*6,309,099*
Profit and loss account			965,858		*886,794*
Shareholders Funds			6,756,898		*7,525,893*

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.
The notes on pages 5 to 10 form part of these financial statements.

Statement of Financial Position *(continued)*

31 December 2017

These financial statements were approved by the board of directors and authorised for issue on 21 September 2018, and are signed on behalf of the board by:



S J Fox-Davies
Director

Company registration number: 01227521

The notes on pages 5 to 10 form part of these financial statements.

1. General Information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Swancote Farm, Bridgnorth, Shropshire, WV15 5HD.

2. Statement of Compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue Recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Deferred Tax

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

3. Accounting Policies *(continued)*

Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Imp to Agric Land & Buildings	-	10% straight line
Farm Fixtures & Fittings	-	10% reducing balance
Motor Vehicles	-	25% reducing balance

No depreciation is provided for on Freehold Land and Buildings.

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance Leases and Hire Purchase Contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

3. Accounting Policies *(continued)*

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee Numbers

The average number of persons employed by the company during the year amounted to 3 (2016: 2).

5. Tax on Profit

Major components of tax expense

	2017 £	2016 £
Current tax:		
UK current tax expense	7,579	*5,795*
Corporation tax interest	4	–
Total current tax	7,583	*5,795*
Deferred tax:		
Origination and reversal of timing differences	6,147	*30,335*
Tax on profit	13,730	*36,130*

6. Tangible Assets

	Freehold Land & Buildings £	Imp to Agric Land & Buildings £	Farm, Fixtures & Fittings £	Motor Vehicles £	**Total £**
Cost					
At 1 January 2017	8,786,274	263,229	1,124,083	19,978	10,193,564
Additions	68,434	–	10,519	–	78,953
At 31 December 2017	8,854,708	263,229	1,134,602	19,978	10,272,517
Depreciation					
At 1 January 2017	–	257,540	580,768	17,389	855,697
Charge for the year	–	4,270	82,310	648	87,228
At 31 December 2017	–	261,810	663,078	18,037	942,925
Carrying amount					
At 31 December 2017	8,854,708	1,419	471,524	1,941	9,329,592
At 31 December 2016	8,786,274	5,689	543,315	2,589	*9,337,867*

7. Debtors

	2017 £	2016 £
Trade debtors	193,145	*151,843*
Other debtors	10,312	*15,363*
	203,457	*167,206*

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	–	*306,300*
Trade creditors	16,737	*37,493*
Amounts owed to related companies	97,030	*342,643*
Corporation tax	7,579	*5,795*
Social security and other taxes	70,097	*82,413*
Other creditors	820,997	*430,974*
	1,012,440	*1,205,618*

The bank loan and overdraft are secured by fixed and floating charges over the company's assets.

Hire purchase borrowings are secured on the assets concerned.

9. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	–	*747,259*
Other creditors	994,129	*21,321*
	994,129	*768,580*

The bank loan is secured by fixed and floating charges over the company's assets.

Hire purchase borrowings are secured on the assets concerned.

Included within creditors: amounts falling due after more than one year is an amount of £Nil (2016: £247,949) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

10. Deferred Tax

The deferred tax included in the statement of financial position is as follows:

	2017 £	2016 £
Included in provisions	934,253	*80,047*

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017 £	2016 £
Accelerated capital allowances	86,194	*80,047*
Revaluation of tangible assets	848,059	–
	934,253	*80,047*

11. Directors' Advances, Credits and Guarantees

During the year the directors entered into the following advances and credits with the company:

	2017			
	Balance brought forward £	Advances/ (credits) to the directors £	Amounts repaid £	**Balance outstanding £**
E L Davies	(100)	–	–	(100)
S J Fox-Davies	(80,100)	80,000	–	(100)
J D M Davies	–	(994,129)	–	(994,129)
	(80,200)	(914,129)	–	(994,329)

	2016			
	Balance brought forward £	Advances/ (credits) to the directors £	Amounts repaid £	*Balance outstanding £*
E L Davies	(100)	–	–	*(100)*
S J Fox-Davies	(100)	(80,000)	–	*(80,100)*
J D M Davies	(579,066)	–	579,066	–
	(579,266)	(80,000)	579,066	*(80,200)*

12. Related Party Transactions

The company was under the control of Mr J D M Davies throughout the current and previous year. Mr J D M Davies is the managing director and majority shareholder.

At the year end, the company owed ICC (Three) Limited an amount of £Nil (2016: £245,287) and Arnold Davies (Pullet Rearers) Limited an amount of £97,030 (2016: £97,330). Both of these companies are under the control of Mr J D M Davies.