
FOXHOLES FARM LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

FOXHOLES FARM LIMITED
REGISTERED NUMBER: 07213949

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	3,182,247	2,988,375
		<u>3,182,247</u>	<u>2,988,375</u>
Current assets			
Stocks	5	706,386	105,670
Debtors: amounts falling due within one year	6	9,543	436,627
Cash at bank and in hand	7	58,195	-
		<u>774,124</u>	<u>542,297</u>
Creditors: amounts falling due within one year	8	(1,100,215)	(3,403,637)
Net current liabilities		<u>(326,091)</u>	<u>(2,861,340)</u>
Total assets less current liabilities		<u>2,856,156</u>	<u>127,035</u>
Creditors: amounts falling due after more than one year	9	(20,890)	-
Provisions for liabilities			
Deferred tax	12	(175,543)	(101,804)
		<u>(175,543)</u>	<u>(101,804)</u>
Net assets		<u>2,659,723</u>	<u>25,231</u>
Capital and reserves			
Called up share capital		2,500,100	100
Profit and loss account		159,623	25,131
		<u>2,659,723</u>	<u>25,231</u>

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

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

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

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

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FOXHOLES FARM LIMITED
REGISTERED NUMBER: 07213949

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2017

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr Guy Davies
Director

Date: 22 September 2017

The notes on pages 3 to 10 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Foxholes Farm Ltd (company number 07213949) is a private limited company, limited by shares, incorporated in England and Wales, with its registered office and place of business at Red House Farm, Little Ness, Shrewsbury, Shropshire SY4 2LG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Poultry units	- 10% reducing balance
Plant & machinery	- 25% reducing balance
Tractors	- 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 reporting date.

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

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.5 Debtors

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

2.6 Cash and cash equivalents

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

2.7 Financial instruments

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

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

2.8 Creditors

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.9 Finance costs

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

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

2.11 Borrowing costs

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.13 Current and deferred taxation

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

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

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

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

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

FOXHOLES FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2016 - 4).

4. Tangible fixed assets

	Poultry units £	Plant & machinery £	Tractors £	Total £
Cost or valuation				
At 1 April 2016	3,770,666	7,643	52,500	3,830,809
Additions	499,111	-	64,895	564,006
At 31 March 2017	<u>4,269,777</u>	<u>7,643</u>	<u>117,395</u>	<u>4,394,815</u>
Depreciation				
At 1 April 2016	816,691	2,774	22,969	842,434
Charge for the year on owned assets	345,309	1,218	7,383	353,910
Charge for the year on financed assets	-	-	16,224	16,224
At 31 March 2017	<u>1,162,000</u>	<u>3,992</u>	<u>46,576</u>	<u>1,212,568</u>
Net book value				
At 31 March 2017	<u>3,107,777</u>	<u>3,651</u>	<u>70,819</u>	<u>3,182,247</u>
At 31 March 2016	<u>2,953,975</u>	<u>4,869</u>	<u>29,531</u>	<u>2,988,375</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Tractors	48,671	-
	<u>48,671</u>	<u>-</u>

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FOXHOLES FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

5. Stocks

	2017 £	2016 £
Farming stock	217,690	105,670
Building plots	488,696	-
	<u>706,386</u>	<u>105,670</u>

6. Debtors

	2017 £	2016 £
Trade debtors	-	429,887
Other debtors	5,643	6,740
Prepayments and accrued income	3,900	-
	<u>9,543</u>	<u>436,627</u>

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	58,195	-
Less: bank overdrafts	-	(37,413)
	<u>58,195</u>	<u>(37,413)</u>

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FOXHOLES FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	-	37,413
Trade creditors	565,290	481,525
Corporation tax	6,610	-
Other taxation and social security	1,588	1,371
Obligations under finance lease and hire purchase contracts	15,632	-
Other creditors	506,958	2,879,761
Accruals and deferred income	4,137	3,567
	<u>1,100,215</u>	<u>3,403,637</u>

	2017 £	2016 £
Other taxation and social security		
PAYE/NI control	1,588	1,371
	<u>1,588</u>	<u>1,371</u>

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

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	20,890	-
	<u>20,890</u>	<u>-</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	15,632	-
Between 1-2 years	15,632	-
Between 2-5 years	5,258	-
	<u>36,522</u>	<u>-</u>

FOXHOLES FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. Financial instruments

There are no financial assets measured at fair value through the profit or loss account as at 31 March 2017 or 31 March 2016..

12. Deferred taxation

	2017 £	2016 £
At beginning of year	(101,804)	(5,176)
Charged to profit or loss	(73,739)	(96,628)
At end of year	(175,543)	(101,804)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(175,543)	(176,685)
Tax losses carried forward	-	74,881
	(175,543)	(101,804)

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FOXHOLES FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

13. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
2,500,000 Preference shares of £1 each	2,500,000	-
	2,500,100	100

The company issued 2,500,000 redeemable preference shares at £1 each on 19 July 2016, which were allotted, called up and fully paid

The company has an option, at any time, to redeem the preference shares, in tranches of at least 10,000 shares, after serving notice of at least 30 days and no more than 60 days. There is no premium payable on redemption.

14. Contingent liabilities

The company is party to a limited guarantee of £4,000,000 with National Westminster Bank plc and Messrs G C Davies & Co, a partnership in which the directors of Foxholes Farm Ltd, Mr G C Davies and Mrs S E Davies are also partners, together with the parents of Mr G C Davies, Mr Gordon Davies and Mrs Anne Davies. At 31 March 2017, the contingent liability in this respect amounted to £2,300,000 (2016:£2,723,260).

15. Related party transactions

The directors of Foxholes Farm Ltd, Mr G C Davies and Mrs S E Davies, are partners in the farming partnership of Messrs G C Davies & Co. During the year ended 31 March 2017, a loan account was operated between the two businesses.

During the year ended 31 March 2017, Foxholes Farm Ltd transferred £560,000 to G C Davies & Co. G C Davies & Co transferred £30,000 to Foxholes Farm Ltd and paid expenses on behalf of Foxholes Farm Ltd of £156,031. G C Davies & Co sold building plots at market value amounting to £475,000 to Foxholes Farm Ltd. Foxholes Farm Ltd issued redeemable preference shares amounting to £2,500,000 in part payment of the balance due. As at 31 March 2017, Foxholes Farm Ltd owed G C Davies & Co £506,958, as shown within Other Creditors. Interest for the sum of £19,113 has been charged by G C Davies & Co during the year ended 31 March 2017. There are no fixed repayment terms on the loan.

During the year ended 31 March 2017, Foxholes Farm Ltd made sales to G C Davies & Co of £nil and made purchases from G C Davies & Co of £161,560.

16. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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