

FOXHOLES FARM LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

FOXHOLES FARM LIMITED
REGISTERED NUMBER: 07213949

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018	2017
		£	£
Fixed assets			
Tangible assets	4	3,371,085	3,182,247
		<u>3,371,085</u>	<u>3,182,247</u>
Current assets			
Stocks	5	1,438,111	706,386
Debtors: amounts falling due within one year	6	458,089	9,543
Cash at bank and in hand	7	52,978	58,195
		<u>1,949,178</u>	<u>774,124</u>
Creditors: amounts falling due within one year	8	(531,426)	(1,100,215)
Net current assets/(liabilities)		<u>1,417,752</u>	<u>(326,091)</u>
Total assets less current liabilities		<u>4,788,837</u>	<u>2,856,156</u>
Creditors: amounts falling due after more than one year	9	(2,837,149)	(20,890)
Provisions for liabilities			
Deferred tax	12	(185,807)	(175,543)
		<u>(185,807)</u>	<u>(175,543)</u>
Net assets		<u><u>1,765,881</u></u>	<u><u>2,659,723</u></u>
Capital and reserves			
Called up share capital	13	1,510,100	2,500,100
Profit and loss account		255,781	159,623
		<u><u>1,765,881</u></u>	<u><u>2,659,723</u></u>

FOXHOLES FARM LIMITED
REGISTERED NUMBER: 07213949

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018

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.

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: 19 November 2018

The notes on pages 3 to 12 form part of these financial statements.

FOXHOLES FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

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 2018

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 instrument 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 2018

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 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 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.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.14 Borrowing costs

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

2.15 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.16 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.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2017 - 2).

FOXHOLES FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. Tangible fixed assets

	Poultry units £	Plant & machinery £	Tractors £	Total £
Cost or valuation				
At 1 April 2017	4,269,777	7,643	117,395	4,394,815
Additions	575,817	-	-	575,817
At 31 March 2018	4,845,594	7,643	117,395	4,970,632
Depreciation				
At 1 April 2017	1,162,000	3,992	46,576	1,212,568
Charge for the year on owned assets	368,360	914	5,537	374,811
Charge for the year on financed assets	-	-	12,168	12,168
At 31 March 2018	1,530,360	4,906	64,281	1,599,547
Net book value				
At 31 March 2018	3,315,234	2,737	53,114	3,371,085
At 31 March 2017	3,107,777	3,651	70,819	3,182,247

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

	2018 £	2017 £
Tractors	36,503	48,671
	36,503	48,671

FOXHOLES FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

5. Stocks

	2018 £	2017 £
Farming stock	313,287	217,690
Building plots	1,124,824	488,696
	<u>1,438,111</u>	<u>706,386</u>

6. Debtors

	2018 £	2017 £
Trade debtors	17,243	-
Other debtors	433,893	5,643
Prepayments and accrued income	6,953	3,900
	<u>458,089</u>	<u>9,543</u>

7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	52,978	58,195
	<u>52,978</u>	<u>58,195</u>

FOXHOLES FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	125,952	-
Trade creditors	332,556	565,290
Corporation tax	51,255	6,610
Other taxation and social security	2,431	1,588
Obligations under finance lease and hire purchase contracts	15,632	15,632
Other creditors	-	506,958
Accruals and deferred income	3,600	4,137
	<u>531,426</u>	<u>1,100,215</u>

	2018 £	2017 £
Other taxation and social security		
PAYE/NI control	2,431	1,588
	<u>2,431</u>	<u>1,588</u>

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

	2018 £	2017 £
Bank loans	2,831,890	-
Net obligations under finance leases and hire purchase contracts	5,259	20,890
	<u>2,837,149</u>	<u>20,890</u>

FOXHOLES FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

10. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Bank loans	125,952	-
	<u>125,952</u>	<u>-</u>
Amounts falling due 1-2 years		
Bank loans	128,297	-
	<u>128,297</u>	<u>-</u>
Amounts falling due 2-5 years		
Bank loans	399,399	-
	<u>399,399</u>	<u>-</u>
Amounts falling due after more than 5 years		
Bank loans	2,304,194	-
	<u>2,304,194</u>	<u>-</u>
	<u><u>2,957,842</u></u>	<u><u>-</u></u>

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	15,632	15,632
Between 1-2 years	5,258	15,632
Between 2-5 years	-	5,258
	<u>20,890</u>	<u>36,522</u>

FOXHOLES FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

12. Deferred taxation

	2018	2017
	£	£
At beginning of year	(175,543)	(101,804)
Charged to profit or loss	(10,264)	(73,739)
At end of year	(185,807)	(175,543)

The provision for deferred taxation is made up as follows:

	2018	2017
	£	£
Accelerated capital allowances	(185,807)	(175,543)
	(185,807)	(175,543)

13. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
100 (2017 - 100) Ordinary shares of £1.00 each	100	100
1,510,000 (2017 - 2,500,000) Preference shares of £1.00 each	1,510,000	2,500,000
	1,510,100	2,500,100

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.

On 20 February 2018 990,000 preference shares were redeemed.

14. Contingent liabilities

The company is party to a limited guarantee of £4,000,000 with National Westminster Bank plc and a connected unincorporated partnership. At 31 March 2018, the contingent liability in this respect amounted to £1,900,000 (2017:£2,300,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

15. Pension commitments

The Company operates a defined contributions 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 £436 (2017 - £nil).

16. Transactions with directors

The company has provided a limited guarantee to National Westminster Bank plc and to a connected unincorporated partnership up to a limit of £4,000,000 in respect of borrowings taken out by the connected unincorporated partnership for the benefit of the company carrying on its business.

During the year the company advanced £1,790,922 to a connected unincorporated partnership and received repayments totalling £1,375,934. Interest was charged on the advance at a rate of 2.5% which totalled £11,172. At 31 March 2018 £426,160 was repayable by the unincorporated connected partnership.