

Company Registration No. 00838371 (England and Wales)

# SEED DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

PAGES FOR FILING WITH REGISTRAR



# **SEED DEVELOPMENTS LIMITED**

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# SEED DEVELOPMENTS LIMITED

## BALANCE SHEET AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	4		501,799		324,832
<b>Current assets</b>					
Stocks		248,733		226,412	
Debtors	5	2,225,815		2,135,505	
Cash at bank and in hand		2,460		130,026	
		<u>2,477,008</u>		<u>2,491,943</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(599,572)</u>		<u>(396,455)</u>	
<b>Net current assets</b>			1,877,436		2,095,488
<b>Total assets less current liabilities</b>			<u>2,379,235</u>		<u>2,420,320</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(215,813)		(190,066)
<b>Provisions for liabilities</b>			<u>(27,916)</u>		<u>(45,028)</u>
<b>Net assets</b>			<u>2,135,506</u>		<u>2,185,226</u>
<b>Capital and reserves</b>					
Called up share capital	8		6,000		6,000
Profit and loss reserves			<u>2,129,506</u>		<u>2,179,226</u>
<b>Total equity</b>			<u>2,135,506</u>		<u>2,185,226</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 18/5/19 and are signed on its behalf by:



Mr A N M Gould  
Director

Company Registration No. 00838371

**SEED DEVELOPMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1 Accounting policies**

**Company information**

Seed Developments Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit A, Huntworth Way, North Petherton, BRIDGWATER, Somerset, TA6 6FA.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

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. The principal accounting policies adopted are set out below.

The financial statements present information about the company as an individual entity and not about its group. The parent of the company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group qualifies as a small.

**1.2 Going concern**

The company has net current assets of £1,877,436 (2018 - £2,095,488) at the balance sheet date. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources and support to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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 trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**1.4 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

# SEED DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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### 1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website development costs	33% straight line
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#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	straight line over the term of the lease
Plant and machinery	10% reducing balance
Fixtures, fittings & equipment	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# SEED DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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### 1 Accounting policies

(Continued)

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company 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 instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***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. Financial assets classified as receivable within one year are not amortised.

##### ***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 company after deducting all of its liabilities.

# SEED DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.10 Equity instruments**

Equity instruments issued by the company are recorded at the 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.

#### **1.11 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

# SEED DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 1 Accounting policies

(Continued)

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

#### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 54 (2018 - 59).

### 3 Intangible fixed assets

	Website development costs £
<b>Cost</b>	
At 1 April 2018	16,677
Disposals	(16,677)
	—
At 31 March 2019	—
	—
<b>Amortisation and impairment</b>	
At 1 April 2018	16,677
Disposals	(16,677)
	—
At 31 March 2019	—
	—
<b>Carrying amount</b>	
At 31 March 2019	—
	—
At 31 March 2018	—
	—

# SEED DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 4 Tangible fixed assets

	Leasehold land and buildings	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2018	10,110	556,245	45,887	612,242
Additions	-	207,841	3,755	211,596
Disposals	-	-	(18,460)	(18,460)
At 31 March 2019	10,110	764,086	31,182	805,378
<b>Depreciation and impairment</b>				
At 1 April 2018	6,102	246,082	35,226	287,410
Depreciation charged in the year	1,002	31,557	2,070	34,629
Eliminated in respect of disposals	-	-	(18,460)	(18,460)
At 31 March 2019	7,104	277,639	18,836	303,579
<b>Carrying amount</b>				
At 31 March 2019	3,006	486,447	12,346	501,799
At 31 March 2018	4,008	310,163	10,661	324,832

### 5 Debtors

	2019	2018
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	175,209	194,457
Amounts owed by group undertakings	2,017,167	1,883,554
Other debtors	33,439	57,494
	2,225,815	2,135,505

# SEED DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 6 Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	199,766	55,778
Trade creditors	184,434	105,964
Taxation and social security	4,804	18,521
Other creditors	210,568	216,192
	<u>599,572</u>	<u>396,455</u>

Included within creditors falling due within one year are bank loans and overdrafts of £199,766 (2018 - £55,778), on which security is provided by the company.

### 7 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	215,813	190,066
	<u>215,813</u>	<u>190,066</u>

Included within creditors falling due in more than one year are bank loans and overdrafts of £215,813 (2018 - £190,066), on which security is provided by the company.

Creditors which fall due after five years are as follows:

	2019	2018
	£	£
Payable by instalments	-	23,576
	<u>-</u>	<u>23,576</u>

### 8 Called up share capital

	2019	2018
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
5,998 Ordinary A of £1 each	5,998	5,998
1 Ordinary B of 50p each	1	1
1 Ordinary C of £1 each	1	1
1 (2018: 0) Ordinary D of 50p each	1	-
	<u>6,000</u>	<u>6,000</u>

During the year, 1 Ordinary B share of £1.00 was subdivided into 2 Ordinary B shares of £0.50. Subsequently, 1 Ordinary B share of £0.50 was redesignated into 1 Ordinary D share of £0.50. All shares hold equal rights.

# SEED DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

### 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Andrew Moore BA FCA.

The auditor was Old Mill Audit LLP.

### 10 Operating lease commitments

#### Lessee

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

2019	2018
£	£
195,852	251,006
<u>195,852</u>	<u>251,006</u>

### 11 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2019	2018
	£	£
Acquisition of tangible fixed assets	12,811	-
	<u>12,811</u>	<u>-</u>

### 12 Directors' transactions

Dividends totalling £40,238 (2018 - £nil) were paid in the year in respect of shares held by the company's directors.

During the year, the advances were made to Directors totalling £nil (2018 - £88) and repayments of cumulative advances were made by Directors totalling £nil (2018 - £3,340).

During the year, interest of £2,949 (2018 - £51,469) has been made payable in respect of amounts due to Directors. At the balance sheet date, amounts due to Directors totalled £83,706 (2018 - £175,948).