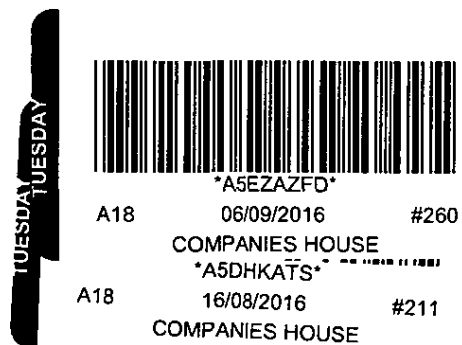


Company Registration No. 01182979 (England and Wales)

Lockwood Estates Limited

**Annual report and financial statements
for the year ended 31 December 2015**

Pages for filing with the Registrar



Saffery Champness
CHARTERED ACCOUNTANTS

Lockwood Estates Limited

Company information

Directors	J W Lockwood J A Lockwood A W Lockwood H Lockwood A Buckley
Secretary	M C Karran
Company number	01182979
Registered office	Scampton House Scampton Lincoln Lincolnshire LN1 2SF
Independent auditors	Saffery Champness Suite C, Unex House Bourges Boulevard Peterborough Cambridgeshire PE1 1NG
Bankers	Clydesdale Bank plc 20 Merrion Way Leeds LS2 8NZ HSBC Bank plc 221 High Street Lincoln LN1 1TS

Lockwood Estates Limited

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Lockwood Estates Limited

**Statement of financial position
As at 31 December 2015**

		2015		2014	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	5	165,900		-	
Tangible assets	6	4,335,940		4,327,651	
Investment properties	7	3,450,000		3,450,000	
Investments	8	490		490	
		<u>7,952,330</u>		<u>7,778,141</u>	
Current assets					
Stocks		702,996	755,325		
Debtors falling due after one year	9	2,126,667	2,537,500		
Debtors falling due within one year	9	1,846,031	1,762,687		
Cash at bank and in hand		421,899	6,847		
		<u>5,097,593</u>	<u>5,062,359</u>		
Creditors: amounts falling due within one year	10	<u>(2,486,120)</u>	<u>(2,836,742)</u>		
Net current assets		<u>2,611,473</u>		<u>2,225,617</u>	
Total assets less current liabilities		<u>10,563,803</u>		<u>10,003,758</u>	
Creditors: amounts falling due after more than one year	11	(3,660,600)		(3,627,208)	
Provisions for liabilities	14	(528,954)		(478,961)	
Net assets		<u>6,374,249</u>		<u>5,897,589</u>	
Capital and reserves					
Called up share capital	16	746,729	746,729		
Share premium account		493,379	493,379		
Profit and loss reserves		5,134,141	4,657,481		
Total equity		<u>6,374,249</u>	<u>5,897,589</u>		

Lockwood Estates Limited

Statement of financial position (continued)

As at 31 December 2015

The directors of the company have elected not to include a copy of the income statement 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 11 August 2016 and are signed on its behalf by

J W Lockwood
Director

A handwritten signature in black ink, appearing to read 'J W Lockwood', is written over a horizontal line.

Company Registration No. 01182979

Lockwood Estates Limited

**Statement of changes in equity
For the year ended 31 December 2015**

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2014	746,729	493,379	3,848,917	5,089,025
Year ended 31 December 2014:				
Profit and total comprehensive income for the year	-	-	808,564	808,564
Balance at 31 December 2014	746,729	493,379	4,657,481	5,897,589
Year ended 31 December 2015:				
Profit and total comprehensive income for the year	-	-	476,660	476,660
Balance at 31 December 2015	746,729	493,379	5,134,141	6,374,249

Lockwood Estates Limited

Notes to the financial statements For the year ended 31 December 2015

1 Accounting policies

Company information

Lockwood Estates Limited is a private company limited by shares incorporated in England and Wales. The registered office is Scampton House, Scampton, Lincoln, Lincolnshire, LN1 2SF.

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 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of Lockwood Estates Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 21.

The company has early adopted Section 1A of FRS 102.

1.2 Turnover

Turnover represents sales to customers and subsidies receivable in respect of crops and is stated net of value added tax.

1.3 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 if the fair value can be measured reliably.

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:

Basic Payment Scheme entitlement	over 4 years
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Lockwood Estates Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

1 Accounting policies (continued)

1.4 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

Freehold land and buildings	2 - 4% on cost
Leasehold land and buildings	2 - 4% on cost
Plant and machinery	10 - 25% on reducing balance

Freehold land is not depreciated

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

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity, such gains and losses are recognised in profit or loss

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired term is less than 20 years

No depreciation is provided on freehold investment properties. The requirement of the Companies Act 2006 is to depreciate all fixed assets which have a useful economic life but that requirement conflicts with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, for the financial statements to give a true and fair view

Notes to the financial statements (continued)
For the year ended 31 December 2015

1 Accounting policies (continued)

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.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value. Costs of growing crops include overheads appropriate to the stage of production. Provisions are made where necessary to reduce the cost of stock to net realisable value.

1.8 Cash and cash equivalents

Cash and cash equivalents 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 statement of financial position 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Notes to the financial statements (continued)

For the year ended 31 December 2015

1 Accounting policies (continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Basic financial liabilities, including trade and other 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 receipts discounted at a market rate of interest.

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. Accounts payable are classified as 'creditors - amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors - amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (continued)

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue 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 income statement 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

1 Accounting policies (continued)

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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.13 Retirement benefits

The company operates a defined contribution pension scheme. The contributions are charged to the profit and loss account in the period in which they are paid.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

1 Accounting policies (continued)

1.15 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

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Revenue recognition - Basic Payment Scheme

In any Scheme Year, the right to the Basic Payment Scheme entitlement is recognised if there is a reasonable certainty over the existence of the right to the Basic Payment Scheme for that Scheme Year and once all conditions attached to the BPS have been met.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was

	2015	2014
	Number	Number
Total	19	21

3 Other gains and losses

	2015	2014
	£	£
Changes in the fair value of investment properties	-	450,000

4 Taxation

	2015	2014
	£	£
Current tax		
UK corporation tax on profits for the current period	88,784	116,000
Adjustments in respect of prior periods	765	-
Total current tax	89,549	116,000

Lockwood Estates Limited**Notes to the financial statements (continued)**
For the year ended 31 December 2015**4 Taxation (continued)****Deferred tax**

Origination and reversal of timing differences	49,993	98,005
	<u> </u>	<u> </u>
Total tax charge	<u>139,542</u>	<u>214,005</u>

5 Intangible fixed assets

	Single Farm Payment entitlement	Basic Payment Scheme entitlement	Total
	£	£	£
Cost			
At 1 January 2015	7,500	-	7,500
Additions	-	221,200	221,200
Disposals	(7,500)	-	(7,500)
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2015	-	221,200	221,200
	<u> </u>	<u> </u>	<u> </u>
Amortisation and impairment			
At 1 January 2015	7,500	-	7,500
Amortisation charged for the year	-	55,300	55,300
Disposals	(7,500)	-	(7,500)
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2015	-	55,300	55,300
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 December 2015	-	165,900	165,900
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2014	-	-	-
	<u> </u>	<u> </u>	<u> </u>

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2015	4,486,570	2,811,566	7,298,136
Additions	-	279,853	279,853
Disposals	-	(118,493)	(118,493)
At 31 December 2015	4,486,570	2,972,926	7,459,496
Depreciation and impairment			
At 1 January 2015	1,150,537	1,819,948	2,970,485
Depreciation charged in the year	36,920	223,482	260,402
Eliminated in respect of disposals	-	(107,331)	(107,331)
At 31 December 2015	1,187,457	1,936,099	3,123,556
Carrying amount			
At 31 December 2015	3,299,113	1,036,827	4,335,940
At 31 December 2014	3,336,033	991,618	4,327,651

Included in freehold land and buildings is freehold land stated at a valuation in 1993 of £1,540,000. On a historical cost basis this would have been included at an original cost of £1,646,791.

The net carrying value of tangible fixed assets includes £260,121 (2014 - £442,364) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £53,353 (2014 - £130,188) for the year.

7 Investment property

	2015 £
Fair value	
At 1 January 2015 and 31 December 2015	3,450,000

The fair value of investment properties has been arrived at on an open market value basis by reference to market evidence of transaction prices for similar properties. No depreciation is provided in respect of these properties. On a historical cost basis these would have been included at an original cost of £639,571 (2014 - £639,571) and depreciation of £208,728 (2014 - £195,937).

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

8 Fixed asset investments

	2015	2014
	£	£
Investments	<u>490</u>	<u>490</u>

Investments are held at cost

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 January 2015 & 31 December 2015	<u>490</u>
Carrying amount	
At 31 December 2015	<u>490</u>
At 31 December 2014	<u>490</u>

9 Debtors

	2015	2014
	£	£
Amounts falling due within one year:		
Trade debtors	883,523	1,160,081
Other debtors	962,508	602,606
	<u>1,846,031</u>	<u>1,762,687</u>
Amounts falling due after one year.		
Other debtors	<u>2,126,667</u>	<u>2,537,500</u>
Total debtors	<u>3,972,698</u>	<u>4,300,187</u>

Lockwood Estates Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

10 Creditors, amounts falling due within one year

	2015	2014
	£	£
Loans and overdrafts	-	734,395
Net obligations under hire purchase contracts	104,627	143,547
Trade creditors	496,771	316,154
Taxation and social security	99,366	132,045
Other creditors	1,785,356	1,510,601
	<u>2,486,120</u>	<u>2,836,742</u>

Security has been given in respect of the bank overdraft

11 Creditors: amounts falling due after more than one year

	2015	2014
	£	£
	Notes	
Loans and overdrafts	13	3,550,000
Obligations under hire purchase contracts	12	-
Government grants		110,600
		<u>3,660,600</u>
		<u>3,627,208</u>

The bank loan is secured by a fixed and floating charge over the assets of the company. The bank loan has a maturity date of 27 December 2018. The bank loan carries interest at a rate equivalent to two percent above the prevailing Bank of England base rate.

12 Finance lease obligations

	2015	2014
	£	£
Future minimum lease payments due under hire purchase		
Within one year	104,627	143,547
In two to five years	-	77,208
	<u>104,627</u>	<u>220,755</u>

Hire purchase payments represent rentals payable by the company for certain items of plant and machinery. Agreements include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

13 Loans and overdrafts

	2015 £	2014 £
Bank loans	3,550,000	3,550,000
Bank overdrafts	-	734,395
	<u>3,550,000</u>	<u>4,284,395</u>
Payable within one year	-	734,395
Payable after one year	<u>3,550,000</u>	<u>3,550,000</u>

Security has been given in respect of the bank overdraft

14 Provisions for liabilities

	Notes	2015 £	2014 £
Deferred tax liabilities	15	528,954	478,961
		<u>528,954</u>	<u>478,961</u>

15 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so
The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes

	Liabilities 2015 £	Liabilities 2014 £
Balances:		
Accelerated capital allowances	70,653	18,208
Tax losses	(1,596)	(1,867)
Investment property	459,897	462,620
	<u>528,954</u>	<u>478,961</u>

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

15 Deferred taxation (continued)

	2015
Movements in the year:	£
Liability at 1 January 2015	478,961
Charge to profit or loss	49,993
	<u> </u>
Liability at 31 December 2015	<u>528,954</u>

The deferred tax liability set out above is expected to reverse after 12 months and relates to accelerated capital allowances that are expected to mature within the same period

16 Called up share capital

	2015	2014
	£	£
Ordinary share capital		
Issued and fully paid		
239,277 Ordinary shares of £1 each	239,277	239,277
507,452 Non-voting shares of £1 each	507,452	507,452
	<u> </u>	<u> </u>
	<u>746,729</u>	<u>746,729</u>

The ordinary share holders and non-voting share holders rank equally in all respects except that the holders of non-voting shares have no right to receive notice of or attend at any general meeting of the company

17 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 auditors' report was unqualified

The senior statutory auditor was Stephen Collins

The auditor was Saffery Champness

Lockwood Estates Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

18 Operating lease commitments

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

	2015 £	2014 £
Within one year	184,331	182,581
Between two and five years	60,000	60,000
In over five years	6,250	21,250
	<u>250,581</u>	<u>263,831</u>

19 Financial commitments, guarantees and contingent liabilities

The company's investment property has been provided as security in respect of bank loans totalling £8.28 million (2014 - £8.28 million) taken out by Castle Square Developments Limited

20 Related party transactions

Transactions with related parties

The company traded with Castle Square Developments Ltd, a company in which A W Lockwood and J W Lockwood are shareholders and directors. The transactions during the year are as follows

	2015 £	2014 £
Management services received	40,000	40,000
Rent received	173,133	150,000
Security fees receivable	20,000	20,000

The balance due from Castle Square Developments Ltd at the year end was £107,221 (2014 - £75,277)

J W Lockwood and J A Lockwood are directors of Lockwood Estates Limited and have loan accounts with the company. These amounted to £10,065 (2014 - £10,284) included in other creditors and £1,277,634 (2014 - £1,072,634) included in other creditors respectively at the year end. Interest is charged on these loans at 4.5% over base rate.

J W Lockwood received rent from the company of £15,000 (2014 - £18,188)

J P Lockwood received rent from the company of £Nil (2014 - £3,750)

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

20 Related party transactions (continued)

Lockwood Pension Fund which is a small self administered fund charged the company rent of £31,956 during the year (2014 - £31,956) The charge is on a commercial basis

At the year end the balance owed to the company from the pension fund amounted to £Nil (2014 - £600)

J W Lockwood is a director and shareholder of Branston Holdings Limited The company received from Branston Holdings Limited a management fee of £Nil (2014 - £3,500) for the services of J W Lockwood as director

Lockwood Estates Ltd is a partner in the Hall Farm Partnership During the year the company received the following income

	2015	2014
	£	£
Contracting fee	118,866	118,866
Other income and recharges	54,337	69,272

At the year end the company was owed £51,445 (2014 - £122,715) by Hall Farm Partnership

The company has a contract farming agreement with A W Lockwood and had the following transactions during the year -

	2015	2014
	£	£
Contracting fee received	19,163	19,167
Other income and recharges	95,402	19,928
Rent paid	1,000	1,000
Crops purchased	40,262	39,250

At the year end the company owed £18,143 (2014 - £17,796) to A W Lockwood

The company is a shareholder in Edge Potato Company Limited to which the company has a loan outstanding of £65,000 (2014 - £95,000) Interest is charged on the loan balance at 1% over base lending rate

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

20 Related party transactions (continued)

Other transactions with Edge Potato Company Limited were as follows -

	2015	2014
	£	£
Dividend received	-	20,000
Administration charges received	3,500	3,500
Rent paid	13,370	26,429

At the year end the balance owed to the company by Edge Potato Company Limited amounted to £26,328 (2014 - £27,902)

J W Lockwood is a director and shareholder of Re-Fish Limited. During the year the company made sales to Re-Fish Limited of £Nil (2014 - £Nil) and purchases of £Nil (2014 - £Nil). The outstanding balance due from Re-Fish Limited at the year end was £Nil (2014 - £Nil).

The company paid rent during the year to the A W Lockwood and Mrs H Lockwood Accumulation and Maintenance Settlement, of which J W Lockwood is a trustee, of £38,325 (2014 - £38,325).

The three children of the directors J W Lockwood and J A Lockwood have advanced loans to the company and the balances outstanding at the year end were

	2015	2014
	£	£
G W Lockwood	38,491	50,777
S L Lockwood	91,866	88,864
J P Lockwood	154,037	127,099

Interest is charged on the outstanding balances at 3% over the base rate.

J P Lockwood also received rental income from the company amounting to £Nil (2014 - £3,750).

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

20 Related party transactions (continued)

The company is a member of a farmers purchasing consortium, Woldmarsh Limited of which A L Buckley is a director. Purchases made from Woldmarsh Limited were as follows -

	2015 £	2014 £
Raw materials	745,396	729,443
Light, heat and power	242,038	285,910
Maintenance costs	86,929	107,416
Other costs	23,648	14,070

At the year end the balance owed by the company to Woldmarsh Limited amounted to £282,122 (2014 - £246,045)

J W Lockwood is a director and shareholder of Grange Farm Energy Limited. During the year the company provided a loan to Grange Farm Energy Limited amounting to £2,900,000 which was outstanding at the year end (2014 - £2,900,000). The company also recharged costs for various services amounting to £Nil (2014 - £300,000) which is included in other income.

No guarantees have been given or received.

The company paid consultancy fees of £50,000 (2014 - £nil) to St Hugh Limited, a company in which J W Lockwood is a director.

Directors remuneration in respect of qualifying services amounted to £164,932 (2014 - £174,887)

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

21 Reconciliations on adoption of FRS 102

Reconciliation of equity

		1 January 2014	31 December 2014
	Notes	£	£
Equity as reported under previous UK GAAP		5,465,270	6,360,209
Adjustments arising from transition to FRS 102			
Gain on revaluation of investment property	1	-	-
Deferred tax on revaluation of investment property	2	(376,245)	(462,620)
Equity reported under FRS 102		<u>5,089,025</u>	<u>5,897,589</u>

Reconciliation of profit or loss

	Notes	2014 £
Profit or loss as reported under previous UK GAAP		444,939
Adjustments arising from transition to FRS 102		
Gain on revaluation of investment property	1	450,000
Deferred tax on revaluation of investment property	2	(86,375)
Profit or loss reported under FRS 102		<u>808,564</u>

Notes to the financial statements (continued)
For the year ended 31 December 2015

21 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of equity

	Notes	At 1 January 2014			At 31 December 2014		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
		£	£	£	£	£	£
Fixed assets							
Tangible assets		4,521,392	-	4,521,392	4,327,651	-	4,327,651
Investment properties		3,000,000	-	3,000,000	3,450,000	-	3,450,000
Investments		490	-	490	490	-	490
		<u>7,521,882</u>	<u>-</u>	<u>7,521,882</u>	<u>7,778,141</u>	<u>-</u>	<u>7,778,141</u>
Current assets							
Stocks		970,392	-	970,392	755,325	-	755,325
Debtors due after one year		-	-	-	2,537,500	-	2,537,500
Debtors due within one year		1,342,527	-	1,342,527	1,762,687	-	1,762,687
Bank and cash		9,067	-	9,067	6,847	-	6,847
		<u>2,321,986</u>	<u>-</u>	<u>2,321,986</u>	<u>5,062,359</u>	<u>-</u>	<u>5,062,359</u>
Creditors due within one year							
Loans and overdrafts		(2,730,763)	-	(2,730,763)	(734,395)	-	(734,395)
Finance leases		(176,058)	-	(176,058)	(143,547)	-	(143,547)
Taxation		(20,129)	-	(20,129)	(132,045)	-	(132,045)
Other creditors		(576,107)	-	(576,107)	(1,826,755)	-	(1,826,755)
		<u>(3,503,057)</u>	<u>-</u>	<u>(3,503,057)</u>	<u>(2,836,742)</u>	<u>-</u>	<u>(2,836,742)</u>
Net current (liabilities)/assets		<u>(1,181,071)</u>	<u>-</u>	<u>(1,181,071)</u>	<u>2,225,617</u>	<u>-</u>	<u>2,225,617</u>
Total assets less current liabilities		<u>6,340,811</u>	<u>-</u>	<u>6,340,811</u>	<u>10,003,758</u>	<u>-</u>	<u>10,003,758</u>
Creditors due after one year							
Loans and overdrafts		(650,000)	-	(650,000)	(3,550,000)	-	(3,550,000)
Finance leases		(220,830)	-	(220,830)	(77,208)	-	(77,208)
		<u>(870,830)</u>	<u>-</u>	<u>(870,830)</u>	<u>(3,627,208)</u>	<u>-</u>	<u>(3,627,208)</u>

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

21 Reconciliations on adoption of FRS 102

		At 1 January 2014			At 31 December 2014		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
	Notes	£	£	£	£	£	£
Provisions for liabilities							
Deferred tax	2	(4,711)	(376,245)	(380,956)	(16,341)	(462,620)	(478,961)
Net assets		5,465,270	(376,245)	5,089,025	6,360,209	(462,620)	5,897,589
Capital and reserves							
Share capital		746,729	-	746,729	746,729	-	746,729
Share premium		493,379	-	493,379	493,379	-	493,379
Revaluation reserve	3	2,253,638	(2,253,638)	-	2,703,638	(2,703,638)	-
Profit and loss		1,971,524	1,877,393	3,848,917	2,416,463	2,241,018	4,657,481
Total equity		5,465,270	(376,245)	5,089,025	6,360,209	(462,620)	5,897,589

Lockwood Estates Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

21 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of profit or loss for the year

	Notes	Year ended 31 December 2014		
		Previous UK GAAP £	Effect of transition £	FRS 102 £
Turnover		2,370,982	-	2,370,982
Cost of sales		(893,215)	-	(893,215)
Gross profit		1,477,767	-	1,477,767
Administrative expenses		(1,559,371)	-	(1,559,371)
Other operating income		700,451	-	700,451
Operating profit		618,847	-	618,847
Interest receivable and similar income		99,875	-	99,875
Interest payable and similar expenses		(146,153)	-	(146,153)
Amounts written off investments	1	-	450,000	450,000
Profit before taxation		572,569	450,000	1,022,569
Taxation	2	(127,630)	(86,375)	(214,005)
Profit for the financial period		444,939	363,625	808,564

Notes to reconciliations on adoption of FRS 102

1 Gain on revaluation of investment property

Investment properties must be measured at fair value through profit and loss under FRS 102

2 Deferred tax on investment property revaluation

Deferred tax must be recognised on all timing differences including revaluations under FRS 102

3 Revaluation reserve

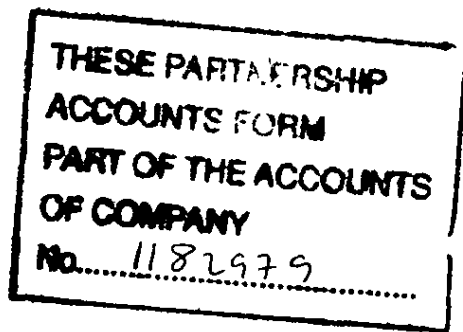
Revaluation gains on investment properties must be transferred to the profit and loss account

Revaluation deficits on tangible fixed assets must be transferred to the profit and loss account

Hall Farm Partners

Unaudited financial statements

For the year ended 31 December 2015



COMPANIES HOUSE

Hall Farm Partners

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Hall Farm Partners

Chartered Accountants' report to Board of Directors on the preparation of the unaudited statutory financial statements of Hall Farm Partners for the year ended 31 December 2015

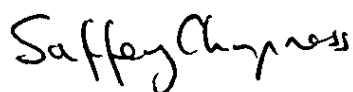
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Hall Farm Partners for the year ended 31 December 2015 set out on pages 2 to 8 from the partnership's accounting records and from information and explanations you have given us

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [http //www icaew com](http://www.icaew.com)

This report is made solely to the Partners of Hall Farm Partners, as a body, in accordance with the terms of our engagement letter dated 2 March 2015 Our work has been undertaken solely to prepare for your approval the financial statements of Hall Farm Partners and state those matters that we have agreed to state to the Partners of Hall Farm Partners, as a body, in this report in accordance with AAF 2/10 as detailed at [http //www icaew com](http://www.icaew.com) To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hall Farm Partners and its Partners as a body, for our work or for this report

It is your duty to ensure that Hall Farm Partners has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Hall Farm Partners You consider that Hall Farm Partners is exempt from the statutory audit requirement for the year

We have not been instructed to carry out an audit or a review of the financial statements of Hall Farm Partners For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements



Saffery Champness

Chartered Accountants

28 July 2016

Unex House
Bourges Boulevard
Peterborough
Cambridgeshire
PE1 1NG

Hall Farm Partners

Profit and loss account

For the year ended 31 December 2015

		2015	2014
	Notes	£	£
Turnover		432,381	437,981
Cost of sales		(367,694)	(343,674)
Gross profit		64,687	94,307
Administrative expenses		(43,811)	(42,298)
Other operating income		96,225	102,150
Operating profit	2	117,101	154,159
Interest payable and similar charges		(5,644)	(6,070)
Profit on ordinary activities before taxation		111,457	148,089
Tax on profit on ordinary activities	3	-	-
Profit for the year		<u>111,457</u>	<u>148,089</u>

The notes on pages 5 to 8 form part of these financial statements

Hall Farm Partners

Balance sheet

As at 31 December 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Intangible assets	4	-		3,795	
Tangible assets	5	4,287		2,450	
		<u>4,287</u>		<u>6,245</u>	
Current assets					
Stocks		262,009		233,044	
Debtors	6	54,646		68,898	
		<u>316,655</u>		<u>301,942</u>	
Creditors: amounts falling due within one year	7	<u>(320,118)</u>		<u>(270,731)</u>	
Net current (liabilities)/assets			<u>(3,463)</u>		<u>31,211</u>
Total assets less current liabilities			<u>824</u>		<u>37,456</u>
Partners' current accounts	8		<u>824</u>		<u>37,456</u>
Partners' funds			<u>824</u>		<u>37,456</u>

Hall Farm Partners

Balance sheet (continued) As at 31 December 2015

For the financial year ended 31 December 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to accounts, so far as applicable to the partnership

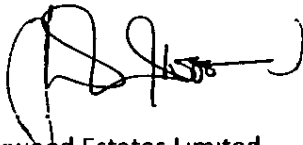
Partners' responsibilities

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

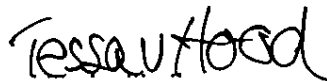
These financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015)

The notes on pages 5 to 8 form part of these financial statements

Approved by the partners for issue on 29 June 2016



Lockwood Estates Limited
Partner



JSF Hood Limited
Partner

Notes to the financial statements
For the year ended 31 December 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Sugar beet quotas

Sugar beet quotas are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful life

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	20% straight line
---------------------	-------------------

1.6 Stock

Stock is valued at the lower of cost and net realisable value

1.7 Basic payment scheme

In any Scheme Year, the right to the Basic Payment Scheme entitlement is recognised if there is a reasonable certainty over the existence of the right to the Basic Payment Scheme for that Scheme Year and once all conditions attached to the BPS have been met

1.8 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. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability

Hall Farm Partners

Notes to the financial statements (continued) For the year ended 31 December 2015

2	Operating profit	2015 £	2014 £
	Operating profit is stated after charging		
	Amortisation of intangible assets	3,795	3,795
	Depreciation of tangible assets	612	-
		<u> </u>	<u> </u>

3 Taxation

Corporation tax is borne by the partners severably and no provision for taxation is therefore included within these accounts

4 Intangible fixed assets

	Sugar beet quotas £
Cost	
At 1 January 2015 & at 31 December 2015	<u>18,975</u>
Amortisation	
At 1 January 2015	15,180
Charge for the year	<u>3,795</u>
At 31 December 2015	<u>18,975</u>
Net book value	
At 31 December 2015	<u>-</u>
At 31 December 2014	<u>3,795</u>

Hall Farm Partners

Notes to the financial statements (continued)

For the year ended 31 December 2015

5 Tangible fixed assets

	Plant and machinery
	£
Cost	
At 1 January 2015	7,876
Additions	2,450
	<hr/>
At 31 December 2015	10,326
	<hr/>
Depreciation	
At 1 January 2015	5,426
Charge for the year	613
	<hr/>
At 31 December 2015	6,039
	<hr/>
Net book value	
At 31 December 2015	4,287
	<hr/>
At 31 December 2014	2,450
	<hr/>

6 Debtors

	2015	2014
	£	£
Trade debtors	25,499	38,150
Other debtors	29,147	30,748
	<hr/>	<hr/>
	54,646	68,898
	<hr/>	<hr/>

Hall Farm Partners

Notes to the financial statements (continued) For the year ended 31 December 2015

7	Creditors: amounts falling due within one year	2015	2014
		£	£
	Bank loans and overdrafts	157,912	10,506
	Trade creditors	51,379	146,417
	Other creditors	110,827	113,808
		<u>320,118</u>	<u>270,731</u>

8	Partners' current accounts	At 1 Jan 2015	1st Charge	2nd Charge	Share of profits	Drawings	At 31 Dec 2015
		£	£	£	£		£
	Lockwood Estates Limited	18,728	-	9,939	11,491	(39,746)	412
	J S F Hood Limited	18,728	78,536	-	11,491	(108,343)	412
		<u>37,456</u>	<u>78,536</u>	<u>9,939</u>	<u>22,982</u>	<u>(148,089)</u>	<u>824</u>

9 Related party transactions

During the year £78,536 (2014 £78,536) was paid to J S F Hood Limited and £118,866 (2014 £118,866) paid to Lockwood Estates Limited for contracting charges. Electricity, water and insurance expenses amounting to £2,694 (2014 £2,586) were paid to J S F Hood Limited during the year. At the year end £Nil (2014 £40,622) was owed to J S F Hood Limited and £Nil (2014 £40,623) was owed to Lockwood Estates Limited. At the year end £2,588 (2014 £1,823) was owed from Lockwood Estates Limited for seeds used in the year. At the year end there is a loan for £100,000 (2014 £100,000) from J S F Hood Limited and interest is being charged at market rate on this loan.