

Registration number: 01316813

Roy Harness And Sons Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2017

Saul Fairholm Limited
12 Tentercroft Street
Lincoln
Lincolnshire
LN5 7DB

Roy Harness And Sons Limited

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Roy Harness And Sons Limited

Company Information

Directors Mr C Harness
Mr G Harness
Mr S Harness
Mrs E Harness

Company secretary Mrs E Harness

Registered office Portland House
Lodge Road
Tattershall
Lincoln
LN4 4LL

Accountants Saul Fairholm Limited
12 Tentercroft Street
Lincoln
Lincolnshire
LN5 7DB

Roy Harness And Sons Limited
(Registration number: 01316813)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>4</u>	653,907	482,021
Current assets			
Stocks	<u>5</u>	372,540	336,488
Debtors	<u>6</u>	66,531	55,403
Cash at bank and in hand		<u>197,629</u>	<u>199,108</u>
		636,700	590,999
Creditors: Amounts falling due within one year	<u>7</u>	<u>(456,868)</u>	<u>(462,899)</u>
Net current assets		<u>179,832</u>	<u>128,100</u>
Total assets less current liabilities		833,739	610,121
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(97,195)</u>	<u>(10,400)</u>
Provisions for liabilities		<u>(73,787)</u>	<u>(39,287)</u>
Net assets		<u><u>662,757</u></u>	<u><u>560,434</u></u>
Capital and reserves			
Called up share capital		35	35
Profit and loss account		<u>662,722</u>	<u>560,399</u>
Total equity		<u><u>662,757</u></u>	<u><u>560,434</u></u>

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

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 9 form an integral part of these financial statements.

Roy Harness And Sons Limited
(Registration number: 01316813)
Balance Sheet as at 31 March 2017

Approved and authorised by the Board on 11 December 2017 and signed on its behalf by:

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Mr C Harness

Director

The notes on pages 4 to 9 form an integral part of these financial statements.
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Roy Harness And Sons Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:

Portland House
Lodge Road
Tattershall
Lincoln
LN4 4LL
United Kingdom

These financial statements were authorised for issue by the Board on 11 December 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Roy Harness And Sons Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	not depreciated
Tenant fixtures	10% straight line method
Farm implements and machinery	15% on reducing balance, 4% straight line
Tractors	25% on reducing balance
Motor vehicles	25% on reducing balance
Office equipment	15% on reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

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Notes to the Financial Statements for the Year Ended 31 March 2017

Trade creditors

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 current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Financial Statements for the Year Ended 31 March 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2016 - 4).

4 Tangible assets

	Freehold land and buildings £	Tenant fixtures £	Farming implements and machinery £	Tractors £
Cost or valuation				
At 1 April 2016	263,532	40,599	571,529	315,858
Additions	2,607	-	222,345	-
Disposals	-	-	(23,500)	-
At 31 March 2017	266,139	40,599	770,374	315,858
Depreciation				
At 1 April 2016	-	40,599	442,872	228,927
Charge for the year	-	-	25,973	20,415
Eliminated on disposal	-	-	(17,571)	-
At 31 March 2017	-	40,599	451,274	249,342
Carrying amount				
At 31 March 2017	266,139	-	319,100	66,516
At 31 March 2016	263,532	-	128,657	86,931

Roy Harness And Sons Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

	Motor vehicles £	Office equipment £	Total £
Cost or valuation			
At 1 April 2016	8,000	896	1,200,414
Additions	-	-	224,952
Disposals	-	-	(23,500)
At 31 March 2017	8,000	896	1,401,866
Depreciation			
At 1 April 2016	5,153	842	718,393
Charge for the year	712	37	47,137
Eliminated on disposal	-	-	(17,571)
At 31 March 2017	5,865	879	747,959
Carrying amount			
At 31 March 2017	2,135	17	653,907
At 31 March 2016	2,847	54	482,021

Included within the net book value of land and buildings above is £266,139 (2016 - £263,532) in respect of freehold land and buildings.

5 Stocks

	2017 £	2016 £
Raw materials and consumables	7,350	10,710
Work in progress	265,430	233,785
Finished goods and goods for resale	65,951	53,653
Other inventories	33,809	38,340
	372,540	336,488

6 Debtors

	2017 £	2016 £
Trade debtors	46,844	40,906
Other debtors	19,687	14,497
Total current trade and other debtors	66,531	55,403

Roy Harness And Sons Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

7 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	<u>8</u>	104,074	133,662
Trade creditors		47,481	25,750
Taxation and social security		3,343	3,293
Other creditors		<u>301,970</u>	<u>300,194</u>
		<u>456,868</u>	<u>462,899</u>
Due after one year			
Loans and borrowings	<u>8</u>	<u>97,195</u>	<u>10,400</u>

8 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	55,595	-
Other borrowings	<u>41,600</u>	<u>10,400</u>
	<u>97,195</u>	<u>10,400</u>

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	9,188	-
Finance lease liabilities	8,775	17,550
Other borrowings	<u>86,111</u>	<u>116,112</u>
	<u>104,074</u>	<u>133,662</u>

9 Transition to FRS 102

This is the first year that Roy Harness And Sons Limited has presented its financial statements under Financial Reporting Standard 102 (FRS 102 section 1A) issues by the Financial Reporting Council. The last financial statements for the year ended 31 March 2016 were prepared under previous Financial Reporting Standard for Smaller Entities (effective January 2015). The transition date to FRS 102 is 1 April 2015.

No adjustments were required upon transition.