

G H & V E Davies & Son Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 June 2017



Hudson LM Limited
Lower Berghill Farm
Whittington
Oswestry
Shropshire
SY11 4PD

G H & V E Davies & Son Limited

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G H & V E Davies & Son Limited

Company Information

Directors	Mrs R M Davies
	Mrs V E Davies
	Mr P G Davies
	Mr G H Davies
Registered office	Sugden Farm
	Wellington
	Telford
	Shropshire
	TF6 6NA
Accountants	Hudson LM Limited
	Lower Berghill Farm
	Whittington
	Oswestry
	Shropshire
	SY11 4PD

G H & V E Davies & Son Limited

Directors' Report for the Year Ended 30 June 2017

The directors present their report and the financial statements for the year ended 30 June 2017.

Directors of the company

The directors who held office during the year were as follows:

Mrs R M Davies

Mrs V E Davies

Mr P G Davies

Mr G H Davies

Principal activity

The principal activity of the company is mixed farming activities

Small companies provision statement

This report has 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.

Approved by the Board on 2 January 2018 and signed on its behalf by:

.....
Mr P G Davies
Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
G H & V E Davies & Son Limited
for the Year Ended 30 June 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of G H & V E Davies & Son Limited for the year ended 30 June 2017 as set out on pages 4 to 13 from the company'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 (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of G H & V E Davies & Son Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of G H & V E Davies & Son Limited and state those matters that we have agreed to state to the Board of Directors of G H & V E Davies & Son Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than G H & V E Davies & Son Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that G H & V E Davies & Son Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of G H & V E Davies & Son Limited. You consider that G H & V E Davies & Son Limited 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 accounts of G H & V E Davies & Son Limited. 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 accounts.

.....
Hudson LM Limited
Lower Berghill Farm
Whittington
Oswestry
Shropshire
SY11 4PD

2 January 2018

G H & V E Davies & Son Limited

(Registration number: 2819806)

Balance Sheet as at 30 June 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>6</u>	8,031,730	7,700,690
Current assets			
Stocks	<u>7</u>	621,448	522,287
Debtors	<u>8</u>	92,002	470,287
Cash at bank and in hand		265,063	322,227
		978,513	1,314,801
Creditors: Amounts falling due within one year	<u>9</u>	(456,464)	(536,704)
Net current assets		522,049	778,097
Total assets less current liabilities		8,553,779	8,478,787
Creditors: Amounts falling due after more than one year	<u>9</u>	(764,215)	(956,413)
Provisions for liabilities		(114,757)	(101,989)
Net assets		<u>7,674,807</u>	<u>7,420,385</u>
Capital and reserves			
Called up share capital		20,000	20,000
Share premium reserve		2,574,985	2,574,985
Profit and loss account		5,079,822	4,825,400
Total equity		<u>7,674,807</u>	<u>7,420,385</u>

For the financial year ending 30 June 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.

The notes on pages 6 to 13 form an integral part of these financial statements.
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G H & V E Davies & Son Limited

(Registration number: 2819806)

Balance Sheet as at 30 June 2017

Approved and authorised by the Board on 2 January 2018 and signed on its behalf by:

.....

Mr P G Davies

Director

The notes on pages 6 to 13 form an integral part of these financial statements.
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G H & V E Davies & Son Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Sugden Farm
Wellington
Telford
Shropshire
TF6 6NA

The principal place of business is:

1 The Old Barn
Walton Grange
High Ercall
Telford
TF6 6AR

These financial statements were authorised for issue by the Board on 2 January 2018.

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.

G H & V E Davies & Son Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

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 property	50 years straight line on buildings
Property improvements	25 years straight line
Plant and machinery	5 to 15 years

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.

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.

G H & V E Davies & Son Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 7 (2016 - 7).

4 Profit before tax

Arrived at after charging/(crediting)

	2017	2016
	£	£
Depreciation expense	<u>341,102</u>	<u>286,583</u>

G H & V E Davies & Son Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

5 Intangible assets

	Quota £	Total £
Cost or valuation		
At 1 July 2016	30,591	30,591
At 30 June 2017	30,591	30,591
Amortisation		
At 1 July 2016	30,591	30,591
At 30 June 2017	30,591	30,591
Carrying amount		
At 30 June 2017	-	-

6 Tangible assets

	Land and buildings £	Improvements to property £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 July 2016	5,955,297	1,644,025	3,348,177	10,947,499
Additions	250,372	53,332	440,460	744,164
Disposals	-	-	(189,200)	(189,200)
At 30 June 2017	6,205,669	1,697,357	3,599,437	11,502,463
Depreciation				
At 1 July 2016	192,246	604,487	2,450,076	3,246,809
Charge for the year	20,858	43,722	276,522	341,102
Eliminated on disposal	-	-	(117,178)	(117,178)
At 30 June 2017	213,104	648,209	2,609,420	3,470,733
Carrying amount				
At 30 June 2017	5,992,565	1,049,148	990,017	8,031,730
At 30 June 2016	5,763,051	1,039,538	898,101	7,700,690

G H & V E Davies & Son Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

Included within the net book value of land and buildings above is £5,992,565 (2016 - £5,763,051) in respect of freehold land and buildings.

7 Stocks

	2017	2016
	£	£
Other inventories	<u>621,448</u>	<u>522,287</u>

8 Debtors

	2017	2016
	£	£
Trade debtors	28,053	341,127
Prepayments	44,656	58,066
Other debtors	<u>19,293</u>	<u>71,094</u>
	<u>92,002</u>	<u>470,287</u>

G H & V E Davies & Son Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

9 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	<u>11</u>	186,137	180,076
Trade creditors		31,504	89,113
Taxation and social security		3,016	16,510
Accruals and deferred income		116,902	27,620
Other creditors		118,905	223,385
		<u>456,464</u>	<u>536,704</u>

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	<u>11</u>	<u>764,215</u>	<u>956,413</u>
		2017 £	2016 £
Due after more than five years			
After more than five years by instalments		19,667	236,109
		<u>19,667</u>	<u>236,109</u>

10 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	20,000	20,000	20,000	20,000
	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

G H & V E Davies & Son Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

11 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	<u>764,215</u>	<u>956,413</u>
Current loans and borrowings		
Bank borrowings	<u>186,137</u>	<u>180,076</u>

Bank borrowings

Bank loan is denominated in Sterling with a nominal interest rate of 1.9%. The carrying amount at year end is £950,352 (2016 - £1,136,489).

The loan is secured against property owned by the company

Included in the loans and borrowings are the following amounts due after more than five years:

Borrowings due after five years

At 30 June 2017 £19,667 due after 5 years (at 30 June 2016 - £236,109)

12 Dividends

	2017 £	2016 £
Interim dividend of £0.25 (2016 - £Nil) per ordinary share	6,650	-

13 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

G H & V E Davies & Son Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

	2017	2016
	£	£
Remuneration	81,646	113,201
Contributions paid to money purchase schemes	40,000	40,000
	<u>121,646</u>	<u>153,201</u>

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This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.