

**REGISTERED NUMBER: 03503310 (England and Wales)**

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 December 2018  
for  
Dewhirst Holywell Enterprises Limited

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for the Year Ended 31 December 2018

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Dewhirst Holywell Enterprises Limited

Company Information  
for the Year Ended 31 December 2018

**DIRECTORS:** I R Dewhirst  
Mrs M A Dewhirst

**SECRETARY:** I R Dewhirst

**REGISTERED OFFICE:** Holywell House  
Brancepeth  
DURHAM  
Co. Durham  
DH7 8EH

**REGISTERED NUMBER:** 03503310 (England and Wales)

**ACCOUNTANTS:** King Hope  
Chartered Accountants  
34 Romanby Road  
Northallerton  
North Yorkshire  
DL7 8NF

Strategic Report  
for the Year Ended 31 December 2018

The directors present their strategic report for the year ended 31 December 2018.

Dewhirst Holywell Enterprises Ltd utilises the land and buildings owned in its farming enterprises. In a year where yields from the cereal crops broadly showed a marginal drop on the previous year's harvest, the company achieved a gross margin of just over £30.5k (2017 - £27k). The reduction in yields was offset by rises in the average anticipated price per tonne for the cereal crops following a slight improvement in commodity prices for 2018 compared with the previous year. Despite additional overhead expenditure in the period the company reported a profit for the year.

During the year the company continued to seek to maintain responsible use of the land through conservation and sustainable practices. It is also investigating ways the company may use renewable energy sources.

**PRINCIPAL RISKS AND UNCERTAINTIES**

There are many risks facing the company with the world commodities market ever changing in terms of both demand and prices for produce. The success of the company is also highly dependent on the growing conditions for each cropping year as to the yields achieved and therefore produce available for sale from that year's harvest. The company utilises the services of an agronomist to achieve the best possible yields from the cereals grown.

The company also has to address many financial risks associated with an agricultural business. The principal financial risks of the influence of exchange rates on basic payment scheme payments, shifts in the wheat futures price and nitrogen fertiliser costs all need to be taken into consideration. A risk of low grain prices is one facing all arable farmers and whilst ultimately, the global price is out of farmers' hands the risk is managed by monitoring the cost of production and use of forward selling and contracts to obtain a better price.

**ON BEHALF OF THE BOARD:**



I R Dewhirst - Secretary

18 July 2019

Report of the Directors  
for the Year Ended 31 December 2018

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of arable farming.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2018.

**FUTURE DEVELOPMENTS**

The company continues to investigate possibilities for expanding the farming enterprises.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

I R Dewhirst  
Mrs M A Dewhirst

**BUSINESS RELATIONSHIPS**

The directors continue to have regard for the need to foster the company's business relationships with both suppliers and customers and this is taken into account when making principal business decisions of the company.

**DISCLOSURE IN THE STRATEGIC REPORT**

Details of the company's financial risk management and exposure to other risks are set out in the Strategic report.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Report of the Directors  
for the Year Ended 31 December 2018

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'Ian R Dewhirst', with a stylized flourish at the end.

I R Dewhirst - Secretary

18 July 2019

Dewhirst Holywell Enterprises Limited (Registered number: 03503310)

Statement of Comprehensive Income  
for the Year Ended 31 December 2018

		2018	2017 as restated
	Notes	£	£
<b>TURNOVER</b>	4	111,996	107,471
Cost of sales		(81,490)	(79,761)
<b>GROSS PROFIT</b>		30,506	27,710
Administrative expenses		(23,665)	(16,819)
		6,841	10,891
Other operating income		1,419	1,965
<b>OPERATING PROFIT</b>	6	8,260	12,856
Interest receivable and similar income		11	-
		8,271	12,856
Interest payable and similar expenses	7	(683)	(457)
<b>PROFIT BEFORE TAXATION</b>		7,588	12,399
Tax on profit	8	(1,619)	5,724
<b>PROFIT FOR THE FINANCIAL YEAR</b>		5,969	18,123
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>			18,123
Prior year adjustment	9	8,433	
<b>TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT</b>		14,402	

The notes form part of these financial statements

Dewhirst Holywell Enterprises Limited (Registered number: 03503310)

Balance Sheet  
31 December 2018

		2018	2017
	Notes	£	as restated £
<b>FIXED ASSETS</b>			
Intangible assets	10	18,200	19,147
Tangible assets	11	732,447	729,820
		<u>750,647</u>	<u>748,967</u>
<b>CURRENT ASSETS</b>			
Stocks	12	30,976	16,431
Debtors	13	54,040	42,384
Cash at bank		82,542	99,262
		<u>167,558</u>	<u>158,077</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	(84,906)	(79,956)
<b>NET CURRENT ASSETS</b>		<u>82,652</u>	<u>78,121</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>833,299</u>	<u>827,088</u>
<b>PROVISIONS FOR LIABILITIES</b>	16	(242)	-
<b>NET ASSETS</b>		<u>833,057</u>	<u>827,088</u>

The notes form part of these financial statements



Balance Sheet - continued  
31 December 2018

		2018	2017
	Notes	£	as restated £
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	810,000	810,000
Retained earnings	18	23,057	17,088
<b>SHAREHOLDERS' FUNDS</b>		<u>833,057</u>	<u>827,088</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 18 July 2019 and were signed on its behalf by:



I R Dewhirst - Director

Dewhirst Holywell Enterprises Limited (Registered number: 03503310)

Statement of Changes in Equity  
for the Year Ended 31 December 2018

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2017</b>	810,000	(1,035)	808,965
<b>Changes in equity</b>			
Total comprehensive income	-	9,690	9,690
<b>Balance at 31 December 2017</b>	810,000	8,655	818,655
Prior year adjustment	-	8,433	8,433
As restated	810,000	17,088	827,088
<b>Changes in equity</b>			
Total comprehensive income	-	5,969	5,969
<b>Balance at 31 December 2018</b>	810,000	23,057	833,057

The notes form part of these financial statements

Notes to the Financial Statements  
for the Year Ended 31 December 2018

1. **STATUTORY INFORMATION**

Dewhirst Holywell Enterprises Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page

2. **STATEMENT OF COMPLIANCE**

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

3. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

**Significant judgements and estimates**

The critical judgements that the directors have made in the process of applying the Company's accounting policies that have the most significant effect of the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both the external and internal sources of information such as market conditions. There have been no indicators of impairment during the current financial year.

(ii) Assessing future income from biological assets

In assessing whether the closing growing crops will generate future income streams, the directors have considered the condition of the crops and past experience to inform their decision on the valuation of the crop at the year end. There has been no write down in the valuation in the current financial year.

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Determining useful economic lives of property, plant & equipment and intangibles

The company depreciates tangible assets over their estimated useful lives. The estimation of useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

3. **ACCOUNTING POLICIES - continued**

**Turnover**

Turnover represents the sale of produce generated from biological assets together with agricultural subsidies.

Value is recognised when the contract becomes unconditional and title of the goods is passed to the customer.

**Intangible fixed assets**

Storage space of 300 tonnes at Tynegrain Silos was purchased in 2007/08 and 2013/14 together with a further 100 tonnes purchased in 2015. Storage space is being amortised on a straight line basis over 20 years.

Basic Payment Entitlements were purchased during 2009/10. The asset is not being amortised as the residual value is considered to be equivalent to the purchase cost. This will be reviewed on an annual basis.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Buildings & Improvements	- 2% on cost
Tenants Improvements	- 2% on cost
Plant and machinery	- 25% on cost

**Government grants**

Income from government grants are recognised in the financial accounts only when there is reasonable assurance that the conditions attached to the grant will be met and that the grant will ultimately be received.

**Stocks**

Stocks represent biological assets at the year end including growing crops. These are valued at cost taking into account inputs and contracting charges.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

4. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2018	2017 as restated
	£	£
Arable produce sales	91,892	87,444
Agricultural subsidies	20,104	20,027
	<u>111,996</u>	<u>107,471</u>

5. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the year ended 31 December 2018 nor for the year ended 31 December 2017.

	2018	2017 as restated
	£	£
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

6. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2018	2017 as restated
	£	£
Depreciation - owned assets	2,773	1,423
Storage Space amortisation	947	947
Basic Payment	(20,104)	(20,027)
	<u>-</u>	<u>-</u>

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2018	2017 as restated
	£	£
Interest payable & charges	683	457
	<u>683</u>	<u>457</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**8. TAXATION**

**Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit for the year was as follows:

	2018	2017 as restated
	£	£
Current tax:		
UK corporation tax	833	2,433
	<hr/>	<hr/>
Deferred tax:		
Origination and reversal of timing differences	786	(8,314)
Losses	-	157
	<hr/>	<hr/>
Total deferred tax	786	(8,157)
	<hr/>	<hr/>
Tax on profit	1,619	(5,724)
	<hr/> <hr/>	<hr/> <hr/>

UK corporation tax has been charged at 19% (2017 - 19.25%).

**Reconciliation of total tax charge/(credit) included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2018	2017 as restated
	£	£
Profit before tax	7,588	12,399
	<hr/>	<hr/>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.250%)	1,442	2,387
	<hr/>	<hr/>
Effects of:		
Expenses not deductible for tax purposes	270	360
Tax rate changes	(93)	(38)
Prior year adjustment	-	(8,433)
	<hr/>	<hr/>
Total tax charge/(credit)	1,619	(5,724)
	<hr/> <hr/>	<hr/> <hr/>

Reduction in the UK corporation tax rate from 20 per cent to 19 per cent (effective from 1 April 2017) and to 17 per cent (effective 1 April 2020) were enacted in Finance Bills 2015 and 2016. In future, this will reduce the company's current tax charge accordingly. In accordance with accounting standards, the effect of these rate reductions on deferred tax balances has been reflected in these financial statements, dependent upon when temporary timing differences are likely to reverse.

**9. PRIOR YEAR ADJUSTMENT**

The prior year adjustment relates to correction of the deferred tax provision as provided by the company's tax advisors in relation to fixed asset timing differences and utilisation of brought forward losses.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**10. INTANGIBLE FIXED ASSETS**

	Storage Space £	BPS Entitlements £	Totals £
<b>COST</b>			
At 1 January 2018			
and 31 December 2018	18,945	6,545	25,490
<b>AMORTISATION</b>			
At 1 January 2018	6,343	-	6,343
Amortisation for year	947	-	947
At 31 December 2018	7,290	-	7,290
<b>NET BOOK VALUE</b>			
At 31 December 2018	11,655	6,545	18,200
At 31 December 2017	12,602	6,545	19,147

**11. TANGIBLE FIXED ASSETS**

	Freehold property £	Buildings & Improvements £	Tenants Improvements £	Plant and machinery £	Totals £
<b>COST</b>					
At 1 January 2018	682,970	55,650	15,520	19,599	773,739
Additions	-	-	-	5,400	5,400
At 31 December 2018	682,970	55,650	15,520	24,999	779,139
<b>DEPRECIATION</b>					
At 1 January 2018	-	19,899	4,421	19,599	43,919
Charge for year	-	1,113	310	1,350	2,773
At 31 December 2018	-	21,012	4,731	20,949	46,692
<b>NET BOOK VALUE</b>					
At 31 December 2018	682,970	34,638	10,789	4,050	732,447
At 31 December 2017	682,970	35,751	11,099	-	729,820

Included in cost of land and buildings is freehold land of £682,970 (2017 - £682,970) which is not depreciated.

**12. STOCKS**

	2018 £	2017 as restated £
Work-in-progress	20,249	16,431
Finished goods	10,727	-
	30,976	16,431

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

13. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017 as restated
	£	£
Trade debtors	45,802	30,820
Other debtors	6,656	5,761
Tax	-	4,308
Deferred tax asset		
Accelerated capital allowances	-	544
Prepayments and accrued income	1,582	951
	<u>54,040</u>	<u>42,384</u>

14. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018	2017 as restated
	£	£
Other loans (see note 15)	50,000	50,000
Creditors	31,369	22,857
Corporation Tax	833	2,433
Directors' current accounts	121	121
Accruals and deferred income	2,583	4,545
	<u>84,906</u>	<u>79,956</u>

15. **LOANS**

An analysis of the maturity of loans is given below:

	2018	2017 as restated
	£	£
Amounts falling due within one year or on demand:		
Loans from group companies	<u>50,000</u>	<u>50,000</u>

16. **PROVISIONS FOR LIABILITIES**

	2018
	£
Deferred tax	
Accelerated capital allowances	<u>242</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**16. PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 January 2018	
As previously reported	7,889
Prior year adjustment	(8,433)
	<hr/>
As restated	(544)
Provided during year	786
	<hr/>
Balance at 31 December 2018	242
	<hr/>

**17. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2018	2017
Number:	Class:	Nominal value:		as restated
			£	£
810,000	Called up equity share capital	£1	810,000	810,000
			<hr/>	<hr/>

**18. RESERVES**

	Retained earnings £
At 1 January 2018	8,655
Prior year adjustment	8,433
	<hr/>
Profit for the year	17,088
	5,969
	<hr/>
At 31 December 2018	23,057
	<hr/>

**19. ULTIMATE PARENT COMPANY**

Holywell Wren Holdings Limited is regarded by the directors as being the company's ultimate parent company.

The largest and smallest group in which the results of the Company is consolidated is that headed by Holywell Wren Holdings Limited. The consolidated accounts can be obtained from the address on the Company information page.

**20. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned entities within the group.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**21. ULTIMATE CONTROLLING PARTY**

The company is controlled by Mr I R Dewhirst by virtue of his shareholding in the parent company.

PKF LITTLE JOHN

08 AUG 2019

FILE REF:

PTNR: