

P J DAVEY & CO LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 OCTOBER 2017

P J DAVEY & CO LTD
REGISTERED NUMBER:04038372

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	3,420,805	625,187
		<u>3,420,805</u>	<u>625,187</u>
Current assets			
Stocks		5,213	-
Debtors	5	323,234	124,105
Cash at bank and in hand		-	1
		<u>328,447</u>	<u>124,106</u>
Creditors: amounts falling due within one year	6	(620,887)	(375,838)
Net current liabilities		<u>(292,440)</u>	<u>(251,732)</u>
Total assets less current liabilities		3,128,365	373,455
Creditors: amounts falling due after more than one year	7	(3,009,812)	(258,162)
Provisions for liabilities			
Deferred tax	9	(118,454)	(32,633)
		<u>(118,454)</u>	<u>(32,633)</u>
Net assets		<u>99</u>	<u>82,660</u>
Capital and reserves			
Called up share capital		5	5
Profit and loss account		94	82,655
		<u>99</u>	<u>82,660</u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
M J Davey
Director

Date: 19 October 2018

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

1. General information

P J Davey & Co Limited is a private company limited by shares and incorporated in England and Wales, registration number: 04038372. The registered office is Wild Rose Farm, Long Stratton, Norwich, Norfolk, NR15 2XA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company rounded to the nearest £.

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

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

2. Accounting policies (continued)

2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Freehold property	- 50 and 15 years straight line
Plant & machinery	- 25% Reducing balance and 20 years straight line
Motor vehicles	- 25% Reducing balance
Fixtures & fittings	- 25% Reducing balance

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

2. Accounting policies (continued)

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2016 - 4).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

4. Tangible fixed assets

	Land and Buildings £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 November 2016	922,717	1,018,401	23,000	82,121	2,046,239
Additions	467,696	2,469,656	-	776	2,938,128
At 31 October 2017	1,390,413	3,488,057	23,000	82,897	4,984,367
Depreciation					
At 1 November 2016	564,191	833,489	10,063	13,309	1,421,052
Charge for the year on owned assets	30,683	108,593	-	-	139,276
Charge for the year on financed assets	-	-	3,234	-	3,234
At 31 October 2017	594,874	942,082	13,297	13,309	1,563,562
Net book value					
At 31 October 2017	795,539	2,545,975	9,703	69,588	3,420,805
At 31 October 2016	358,526	184,912	12,937	68,812	625,187

The net book value of land and buildings may be further analysed as follows:

	2017 £	2016 £
Freehold	795,539	358,526
	<u>795,539</u>	<u>358,526</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

4. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Motor vehicles	9,703	12,937
	<u>9,703</u>	<u>12,937</u>

Finance leases

Hire purchase and finance leases are secured on the assets to which they relate.

5. Debtors

	2017 £	2016 £
Due after more than one year		
Other debtors	11,378	4,011
	<u>11,378</u>	<u>4,011</u>
Due within one year		
Trade debtors	203,066	24,800
Other debtors	35,008	12,340
Prepayments and accrued income	16,499	82,954
Tax recoverable	57,283	-
	<u>323,234</u>	<u>124,105</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

6. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	193,716	1,771
Bank loans	232,627	99,977
Trade creditors	72,217	102,699
Corporation tax	68,660	135,801
Other taxation and social security	10,455	14,873
Obligations under finance lease and hire purchase contracts	6,111	6,667
Accruals and deferred income	37,101	14,050
	<u>620,887</u>	<u>375,838</u>

The following liabilities were secured:

	2017 £	2016 £
Bank overdrafts	193,716	1,771
Bank Loans	232,627	99,977
Hire purchase contracts	6,111	6,667
	<u>432,454</u>	<u>108,415</u>

Details of security provided:

Bank loans and overdrafts are secured by legal charges over land at Tivetshall St Margaret Norfolk, Wild Rose Farm Norwich and the Energy Building site at Wild Rose Farm Norwich.

Finance leases and hire purchase agreements are secured on the assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

7. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	3,009,812	252,051
Net obligations under finance leases and hire purchase contracts	-	6,111
	<u>3,009,812</u>	<u>258,162</u>

The following liabilities were secured:

	2017 £	2016 £
Bank loans	3,009,811	252,051
Hire purchase contracts	-	6,111
	<u>3,009,811</u>	<u>258,162</u>

Details of security provided:

Bank loans and overdrafts are secured by legal charges over land at Tivetshall St Margaret Norfolk, Wild Rose Farm Norwich and the Energy Building site at Wild Rose Farm Norwich.

Finance leases and hire purchase agreements are secured on the assets to which they relate.

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	2017 £	2016 £
Repayable by instalments	1,487,068	11,427
	<u>1,487,068</u>	<u>11,427</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

8. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	232,627	99,977
	<u>232,627</u>	<u>99,977</u>
Amounts falling due 2-5 years		
Bank loans	1,522,743	240,624
	<u>1,522,743</u>	<u>240,624</u>
Amounts falling due after more than 5 years		
Bank loans	1,487,068	11,427
	<u>1,487,068</u>	<u>11,427</u>
	<u><u>3,242,438</u></u>	<u><u>352,028</u></u>

9. Deferred taxation

	2017 £
At beginning of year	(32,633)
Charged to profit or loss	(85,821)
At end of year	<u><u>(118,454)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

9. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(120,322)	(32,633)
Tax losses carried forward	1,868	-
	<u>(118,454)</u>	<u>(32,633)</u>

10. Commitments under operating leases

At 31 October 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	99,996	39,996
Later than 1 year and not later than 5 years	394,429	159,984
Later than 5 years	278,548	34,441
	<u>772,973</u>	<u>234,421</u>

11. Transactions with directors

Included in debtors as at 31 October 2017 is a loan balance of £35,008 (2016: £12,340) due from a related partnership to the company. The directors of the company are partners in the partnership. The loan is provided on an interest free basis.

12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.