

P J DAVEY & CO LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 OCTOBER 2021

P J DAVEY & CO LTD
REGISTERED NUMBER:04038372

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	3,188,560	3,452,630
		<u>3,188,560</u>	<u>3,452,630</u>
Current assets			
Stocks		20,000	20,000
Debtors	5	302,992	258,798
Cash at bank and in hand		221,470	241,165
		<u>544,462</u>	<u>519,963</u>
Creditors: amounts falling due within one year	6	(758,755)	(779,545)
Net current liabilities		<u>(214,293)</u>	<u>(259,582)</u>
Total assets less current liabilities		<u>2,974,267</u>	<u>3,193,048</u>
Creditors: amounts falling due after more than one year	7	(2,530,413)	(2,859,354)
Provisions for liabilities			
Deferred tax		(284,621)	(269,130)
		<u>(284,621)</u>	<u>(269,130)</u>
Net assets		<u><u>159,233</u></u>	<u><u>64,564</u></u>
Capital and reserves			
Called up share capital		5	5
Profit and loss account		159,228	64,559
		<u><u>159,233</u></u>	<u><u>64,564</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2021

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 the 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: 22 October 2022

The notes on pages 3 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

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 2AX.

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 unless otherwise stated.

2.2 Going concern

The Directors have considered the Company's position at the time of signing the financial statements, and in particular the current issues caused by Covid-19 and its potential impact on the Company and the wider economy. As such under the current circumstances, it is difficult to produce meaningful forecasts for the remainder of the financial year and medium term. Nevertheless, the Directors have considered the current financial strength of the Company, together with the range of measures the Directors can take to mitigate ongoing costs should they need to, and ultimately should it be required, the support now being offered by the UK government for which the Company would be eligible to apply.

Based on this, the Directors have concluded that they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, and, based on the economic environment recovering within the timeframe currently being widely anticipated, at least twelve months from the date of signing these financial statements, they therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

2. Accounting policies (continued)

2.3 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:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Finance costs

Finance costs are charged to profit or loss 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 2021**

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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.

2.7 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 and machinery	- 25% reducing balance and 20 years straight line
Fixtures and fittings	- 25% reducing balance

2.8 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 2021**

2. Accounting policies (continued)

2.9 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.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 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.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.13 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 ordinary shares.

2.14 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 (2020 - 4).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

4. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 November 2020	1,484,621	4,253,586	117,796	5,856,003
Additions	10,054	26,105	-	36,159
At 31 October 2021	1,494,675	4,279,691	117,796	5,892,162
Depreciation				
At 1 November 2020	712,005	1,612,018	79,350	2,403,373
Charge for the year on owned assets	43,907	235,161	9,617	288,685
Charge for the year on financed assets	-	11,544	-	11,544
At 31 October 2021	755,912	1,858,723	88,967	2,703,602
Net book value				
At 31 October 2021	738,763	2,420,968	28,829	3,188,560
At 31 October 2020	772,616	2,641,568	38,446	3,452,630

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

	2021 £	2020 £
Freehold	738,763	772,616
	738,763	772,616

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

4. Tangible fixed assets (continued)

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

	2021 £	2020 £
Plant and machinery	34,632	46,176
	<u>34,632</u>	<u>46,176</u>

5. Debtors

	2021 £	2020 £
Other debtors	28,544	13,823
	<u>28,544</u>	<u>13,823</u>
Due within one year		
Trade debtors	173,476	168,103
Other debtors	87,829	42,533
Prepayments and accrued income	13,143	13,982
Tax recoverable	-	20,357
	<u>302,992</u>	<u>258,798</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

6. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank overdrafts	387	105,160
Bank loans	310,196	285,281
Trade creditors	171,560	128,526
Corporation tax	90,695	13,823
Other taxation and social security	58,397	54,049
Obligations under finance lease and hire purchase contracts	8,281	10,414
Other creditors	-	60,000
Accruals and deferred income	119,239	122,292
	<u>758,755</u>	<u>779,545</u>

The following liabilities were secured:

Details of security provided:

Bank loans and overdrafts are secured by legal charge over the land at Tivetshall St Margaret Norfolk, Wild Road 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 2021

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

	2021 £	2020 £
Bank loans	2,498,368	2,818,990
Net obligations under finance leases and hire purchase contracts	32,045	40,364
	<u>2,530,413</u>	<u>2,859,354</u>

The following liabilities were secured:

Details of security provided:

Bank loans and overdrafts are secured by legal charge over the land at Tivetshall St Margaret Norfolk, Wild Road 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 reporting date is:

	2021 £	2020 £
Repayable by instalments	1,327,628	1,587,419
	<u>1,327,628</u>	<u>1,587,419</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

8. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	310,196	285,281
	<u>310,196</u>	<u>285,281</u>
Amounts falling due 2-5 years		
Bank loans	1,170,740	1,260,173
	<u>1,170,740</u>	<u>1,260,173</u>
Amounts falling due after more than 5 years		
Bank loans	1,327,628	1,558,817
	<u>1,327,628</u>	<u>1,558,817</u>
	<u><u>2,808,564</u></u>	<u><u>3,104,271</u></u>

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	8,281	2,133
Between 1-5 years	33,046	40,364
	<u>41,327</u>	<u>42,497</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021

10. Commitments under operating leases

At 31 October 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	34,441	39,996
Later than 1 year and not later than 5 years	-	34,441
	<u>34,441</u>	<u>74,437</u>

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.