

# HCE Agriculture Limited

Unaudited Financial Statements  
for the Year Ended 31 December 2020

# **HCE Agriculture Limited**

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# HCE Agriculture Limited

(Registration number: 01320576)

## Statement of Financial Position as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	4,636,998	4,712,128
<b>Current assets</b>			
Stocks	<u>5</u>	79,397	101,032
Debtors	<u>6</u>	26,321	101,761
Cash at bank and in hand		<u>214,692</u>	<u>162,102</u>
		320,410	364,895
<b>Creditors:</b> Amounts falling due within one year	<u>7</u>	<u>(107,305)</u>	<u>(95,920)</u>
<b>Net current assets</b>		<u>213,105</u>	<u>268,975</u>
<b>Total assets less current liabilities</b>		4,850,103	4,981,103
<b>Creditors:</b> Amounts falling due after more than one year	<u>7</u>	<u>(1,256,444)</u>	<u>(1,289,534)</u>
<b>Provisions for liabilities</b>		<u>(46,998)</u>	<u>(46,998)</u>
<b>Net assets</b>		<u><u>3,546,661</u></u>	<u><u>3,644,571</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>3,546,561</u>	<u>3,644,471</u>
<b>Shareholders Funds</b>		<u><u>3,546,661</u></u>	<u><u>3,644,571</u></u>

# **HCE Agriculture Limited**

**(Registration number: 01320576)**

## **Statement of Financial Position as at 31 December 2020**

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 Income Statement has been taken.

Approved and authorised by the director on 28 September 2021

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Mr J R Sellers  
Director

# **HCE Agriculture Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020**

### **1 General information**

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

The address of its registered office is:

Blacktoft Grange  
Blacktoft Grange Road  
Sandholme  
Brough  
East Yorkshire  
HU15 2ZU  
United Kingdom

These financial statements were authorised for issue by the director on 28 September 2021.

### **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.

#### **Going concern**

In March 2020, the World Health Organization characterized the coronavirus ("COVID-19") as a pandemic, and the Prime Minister of the United Kingdom declared COVID-19 as the biggest threat this country has faced for decades. The rapid spread of the pandemic, and the continuously evolving responses to combat it, have had an increasingly negative impact on the global economy and our business. Due to the widespread impact of the COVID-19 pandemic and the Government's instructions to the British people and businesses, the Company implemented measures to allow the Company's operations to continue.

Due to the current unprecedented market and economic conditions in the U.K. and internationally, the expected impact of the COVID-19 pandemic on the Company's operations cannot be reasonably estimated. However, we expect our results from operations and cash flows for the remainder of financial year 2021 to be adversely impacted by the pandemic.

# HCE Agriculture Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

### 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.

### 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 and buildings	Nil
Plant and machinery	20% reducing balance
Motor vehicles	20% reducing balance
Office equipment	33.3% straight line

### 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.

### 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 Income Statement 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.

# **HCE Agriculture Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020**

### **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 Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement 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.

### **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.

### **Financial instruments**

#### ***Classification***

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the income statement.

### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 3 (2019 - 3).

# HCE Agriculture Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

### 4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 January 2020	4,327,938	1,572,667	34,997	5,935,602
At 31 December 2020	4,327,938	1,572,667	34,997	5,935,602
<b>Depreciation</b>				
At 1 January 2020	-	1,193,863	29,611	1,223,474
Charge for the year	-	74,053	1,077	75,130
At 31 December 2020	-	1,267,916	30,688	1,298,604
<b>Carrying amount</b>				
At 31 December 2020	4,327,938	304,751	4,309	4,636,998
At 31 December 2019	4,327,938	378,804	5,386	4,712,128

Included within the net book value of land and buildings above is £4,327,938 (2019 - £4,327,938) in respect of freehold land and buildings.

### 5 Stocks

	2020 £	2019 £
Work in progress	79,397	101,032

### 6 Debtors

	2020 £	2019 £
Trade debtors	2,902	79,465
Prepayments	7,630	6,918
Other debtors	15,789	15,378
	26,321	101,761



# HCE Agriculture Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2020

### 7 Creditors

#### Creditors: amounts falling due within one year

	Note	2020 £	2019 £
<b>Due within one year</b>			
Loans and borrowings		31,980	38,147
Trade creditors		46,324	32,636
Taxation and social security		1,192	899
Accruals and deferred income		27,809	24,238
		<u>107,305</u>	<u>95,920</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £31,980 (2019 - £38,147).

#### Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
<b>Due after one year</b>			
Loans and borrowings		<u>1,256,444</u>	<u>1,289,534</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £Nil (2019 - £31,980).

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.