

Company registration number: 05037505

**Springwood Farms Limited
Filleled Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020**

SPRINGWOOD FARMS LIMITED

Contents

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Unaudited Financial Statements	<u>3</u> to <u>15</u>

SPRINGWOOD FARMS LIMITED

(Registration number: 05037505)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>5</u>	30,969	41,270
Tangible assets	<u>6</u>	4,628,752	4,433,892
Biological assets	<u>7</u>	554,532	541,425
Investment property	<u>8</u>	361,072	157,953
Other financial assets	<u>9</u>	180	180
		<u>5,575,505</u>	<u>5,174,720</u>
Current assets			
Biological assets	<u>7</u>	157,945	143,401
Stocks	<u>10</u>	311,987	55,262
Debtors	<u>11</u>	334,573	407,095
Cash at bank and in hand		<u>259,248</u>	<u>75,227</u>
		1,063,753	680,985
Creditors: Amounts falling due within one year	<u>12</u>	<u>(935,199)</u>	<u>(658,581)</u>
Net current assets		<u>128,554</u>	<u>22,404</u>
Total assets less current liabilities		5,704,059	5,197,124
Creditors: Amounts falling due after more than one year	<u>12</u>	<u>(3,932,669)</u>	<u>(3,496,527)</u>
Provisions for liabilities			
Deferred tax liabilities		<u>(68,176)</u>	<u>(70,929)</u>
Net assets		<u>1,703,214</u>	<u>1,629,668</u>
Capital and reserves			
Called up share capital		10,004	10,004
Share premium reserve		298	298
Profit and loss account		<u>1,692,912</u>	<u>1,619,366</u>
Total equity		<u>1,703,214</u>	<u>1,629,668</u>

SPRINGWOOD FARMS LIMITED

(Registration number: 05037505)
Balance Sheet as at 31 March 2020

For the financial year ending 31 March 2020 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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The option not to file the profit and loss account and directors' report has been taken.

Approved and authorised by the Board on 23 November 2020 and signed on its behalf by:

J W R Hiscock
Director

C A Hiscock
Director

W G A Hiscock
Director

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

1 General information

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

The address of its registered office is:

Trendles
Brockhampton Farm
Buckland Newton
DORCHESTER
Dorset
DT2 7DJ

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.

These financial statements are presented in Sterling (£).

Prior period errors

Prior period errors are accounted for retrospectively by restating the comparative amounts for the prior period.

Turnover recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of milk, livestock, crops and the receipt of government grants. Turnover is shown net of value added tax and is recognised at the point of dispatch for the sale of milk and livestock and in the period to which the government grant relates.

Government grants

Income from government grants is recognised within turnover when the conditions for receipt have been complied with and there is reasonable assurance that the grant will be received. Recognition will be on a systematic basis over the period in which the entity recognises the related costs for which the grant is intended to compensate.

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current 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 taxable income.

Deferred tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation of tangible assets

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
Land and buildings	0% or 2% straight line basis
Motor vehicles	15% reducing balance basis
Plant and machinery	15% reducing balance basis

Biological non-current assets

Biological assets held for continuing use within the business are classified as fixed assets. Such assets are measured at cost less accumulated depreciation and impairment. Assets within the classification comprise a dairy herd.

Depreciation of biological non-current assets

Depreciation is charged so as to write off the cost of assets, less their estimated selling price less costs to sale, over their estimated useful economic life as follows:

Asset class	Depreciation method and rate
Dairy Herd	20% straight line basis

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Biological current assets

Biological assets not held for continuing use within the business are classified as current assets. Such assets are measured at cost less accumulated impairment. Assets within this classification comprise tillages and dairy followers.

Basic Payment Scheme

Basic payment scheme (BPS) entitlements are initially recognised at cost. Cost for originally granted BPS entitlements, is the fair value on transition to FRS102 and has been recognised through a debit to intangible assets and a credit to deferred income. Both purchased and granted entitlements are subsequently measured at cost less accumulated amortisation and impairment losses. For granted BPS, deferred income is released to the profit and loss as other operating income at the same rate at which the intangible asset is amortised.

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Basic Payment scheme entitlements	7 years straight line

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by the director. The valuers use observable market prices, adjust if necessary for any difference in nature, location or condition of the specific asset. Changes in fair value are initially recognised in the profit or loss and then subsequently transferred to the fair value reserve.

Investments

Other financial assets comprise unlisted fixed asset investments which are measured at cost less accumulated impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks comprising agricultural produce (i.e crops in store) and deadstock such as feed and fuel are stated at the lower of cost and estimated selling price less costs to complete and sell. Agricultural produce (i.e crops in store) harvested from biological assets are measured at the point of harvest.

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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 Profit and Loss Account 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.

Assets held under hire purchase agreements are capitalised as tangible fixed assets with the future obligation being recognised as a liability. Finance costs are recognised in the Profit and Loss Account calculated at a constant periodic rate of interest over the term of the liability.

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 Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Defined contribution pension obligation

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 12 (2019 - 12).

4 Prior period errors

In prior years the property held by the company had been classified as a tangible asset. In the period to 31 March 2019 one of the properties should have been reclassified as an investment property. The error has been corrected retrospectively and the effect on the line items of the financial statements is as follows:

	Relating to the current period disclosed in these financial statements	Relating to the prior period disclosed in these financial statements
	£	£
Tangible assets	(157,953)	(157,953)
Investment properties	157,953	157,953

Investment properties

The investment properties have now been recognised in the comparative period at a fair value of £157,953.

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

5 Intangible assets

	Basic payment scheme entitlements £	Total £
Cost or valuation		
At 1 April 2019	71,868	71,868
Additions	237	237
	<hr/>	<hr/>
At 31 March 2020	72,105	72,105
	<hr/>	<hr/>
Amortisation		
At 1 April 2019	30,835	30,835
Amortisation charge	10,301	10,301
	<hr/>	<hr/>
At 31 March 2020	41,136	41,136
	<hr/>	<hr/>
Carrying amount		
At 31 March 2020	30,969	30,969
	<hr/>	<hr/>
At 31 March 2019	41,270	41,270
	<hr/>	<hr/>

Basic Payment Scheme Entitlements

The amortisation charge for the year is recognised within depreciation in the profit and loss. Deferred income has been released to the profit and loss and is recognised as other operating income. The net effect in the profit and loss for the year is £Nil.

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

6 Tangible assets

	Land and buildings £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2019	4,120,256	351,010	730,506	5,201,772
Additions	202,358	100,394	35,939	338,691
Disposals	-	(113,650)	(9,500)	(123,150)
At 31 March 2020	4,322,614	337,754	756,945	5,417,313
Depreciation				
At 1 April 2019	60,425	210,282	497,173	767,880
Charge for the year	5,083	36,143	40,405	81,631
Eliminated on disposal	-	(55,498)	(5,452)	(60,950)
At 31 March 2020	65,508	190,927	532,126	788,561
Carrying amount				
At 31 March 2020	4,257,106	146,827	224,819	4,628,752
At 31 March 2019	4,059,831	140,728	233,333	4,433,892

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

7 Biological assets

	Dairy herd £	Total non- current assets £	Tillages £	Beef young stock £	Dairy followers £
Cost or valuation					
At 1 April 2019	743,726	743,726	26,579	-	138,655
Purchases/transfers in	24,367	24,367	-	3,625	144,957
Sales/transfers out	-	-	-	-	(138,655)
New crop costs	-	-	19,636	-	-
Old crop harvested	-	-	(36,852)	-	-
At 31 March 2020	768,093	768,093	9,363	3,625	144,957
Depreciation					
At 1 April 2019	213,094	213,094	-	-	-
Charge for the year	748	748	-	-	-
Eliminated on disposal	(281)	(281)	-	-	-
At 31 March 2020	213,561	213,561	-	-	-
Carrying amount					
At 31 March 2020	554,532	554,532	9,363	3,625	144,957
At 31 March 2019	541,425	541,425	10,273	-	133,128

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

8 Investment properties

	2020 £
At 1 April 2019	157,953
Additions	<u>203,119</u>
At 31 March 2020	<u><u>361,072</u></u>

The fair value of the residential investment properties have been considered by the directors on the basis of an open market by reference to market evidence of transaction prices for similar properties. The fair value of the commercial investment properties have been valued with reference to future cash inflows.

There has been no valuation of investment property by an independent valuer.

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

9 Other financial assets (current and non-current)

	Financial assets at cost less impairment £	Total £
Non-current financial assets		
Cost or valuation		
At 1 April 2019	180	180
At 31 March 2020	180	180
Impairment		
Carrying amount		
At 31 March 2020	180	180

10 Stocks

	2020 £	2019 £
Work in progress	247,317	-
Crops in store and deadstock	64,670	55,262
	311,987	55,262

11 Debtors

	2020 £	2019 £
Trade debtors	247,586	261,018
Other debtors	86,987	146,077
Total current trade and other debtors	334,573	407,095

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

12 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>13</u>	238,857	156,291
Trade creditors		216,912	245,191
Taxation and social security		4,302	4,735
Corporation tax		44,774	42,917
Other creditors		<u>430,354</u>	<u>209,447</u>
		<u>935,199</u>	<u>658,581</u>

Due after one year

Loans and borrowings	<u>13</u>	<u>3,932,669</u>	<u>3,496,527</u>
----------------------	-----------	------------------	------------------

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>13</u>	<u>3,932,669</u>	<u>3,496,527</u>

	2020 £	2019 £
Due after more than five years		
After more than five years by instalments	3,103,805	2,983,461
	<u>3,103,805</u>	<u>2,983,461</u>

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

13 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	170,074	116,706
Hire purchase contracts	22,552	-
Other borrowings	46,231	39,585
	<u>238,857</u>	<u>156,291</u>
	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	3,784,101	3,386,061
Hire purchase contracts	28,905	41,321
Other borrowings	119,663	69,145
	<u>3,932,669</u>	<u>3,496,527</u>

Bank borrowings

Bank borrowings are secured by three charges and a debenture over the company property.

Other borrowings

This is a third party loan.

Loans and borrowings due in greater than five years

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

	2020 £	2019 £
After more than five years by instalments	3,103,805	2,983,461

SPRINGWOOD FARMS LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

14 Related party transactions

Transactions with directors

	Advances to directors £	Re- payments by director £	At 31 March 2020 £
2020			
W G A Hiscock			
Advances and credits - interest charges at 2.5%	9,453	(9,453)	-

	Advances to directors £	Re- payments by director £	At 31 March 2019 £
2019			
W G A Hiscock			
Advances and credits - interest charges at 2.5%	11,877	(11,877)	-

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.