

Registration number: 7055923

# Fernhill Farms Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 28 February 2017

MCA Banbury Ltd  
Greenway House  
Sugarswell Business Park  
Shenington  
Banbury  
Oxon  
OX15 6HW

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# **Fernhill Farms Limited**

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## **Fernhill Farms Limited**

### **Company Information**

<b>Directors</b>	Mrs Ann Elizabeth Lombard Mr William John Owen Lombard
<b>Registration number</b>	7055923
<b>Registered office</b>	Greenway House Sugarswell Business Park Shenington Banbury Oxfordshire OX15 6HW
<b>Accountants</b>	MCA Banbury Ltd Greenway House Sugarswell Business Park Shenington Banbury Oxon OX15 6HW

# Fernhill Farms Limited

## Profit and Loss Account for the Year Ended 28 February 2017

	Note	Total 28 February 2017 £	Total 29 February 2016 £
Turnover		1,403,756	1,469,082
Cost of sales		<u>(1,052,148)</u>	<u>(1,183,434)</u>
Gross profit		351,608	285,648
Administrative expenses		(217,002)	(199,107)
Other operating income		<u>39,342</u>	<u>35,312</u>
Operating profit		<u>173,948</u>	<u>121,853</u>
Other interest receivable and similar income		<u>-</u>	<u>107</u>
		<u>-</u>	<u>107</u>
Profit before tax		173,948	121,960
Taxation		<u>(33,722)</u>	<u>(24,776)</u>
Profit for the financial year		<u><u>140,226</u></u>	<u><u>97,184</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

**Fernhill Farms Limited**  
**(Registration number: 7055923)**  
**Balance Sheet as at 28 February 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	3	156,370	162,893
<b>Current assets</b>			
Stocks	4	403,260	324,500
Debtors	5	40,891	47,165
Cash at bank and in hand		207,240	123,060
		651,391	494,725
<b>Creditors: Amounts falling due within one year</b>	6	(203,465)	(194,127)
<b>Net current assets</b>		447,926	300,598
<b>Total assets less current liabilities</b>		604,296	463,491
<b>Creditors: Amounts falling due after more than one year</b>	6	(10,800)	(9,167)
<b>Provisions for liabilities</b>		(29,009)	(30,062)
<b>Net assets</b>		564,487	424,262
<b>Capital and reserves</b>			
Called up share capital		330	330
Profit and loss account		564,157	423,932
<b>Total equity</b>		564,487	424,262

For the financial year ending 28 February 2017 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 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 Profit and Loss Account has been taken.

**Fernhill Farms Limited**  
**(Registration number: 7055923)**  
**Balance Sheet as at 28 February 2017**

Approved and authorised by the Board on 7/6/2017 and signed on its behalf by:



Mr William John Owen Lombard  
Director

# Fernhill Farms Limited

## Statement of Changes in Equity for the Year Ended 28 February 2017

	Share capital £	Profit and loss account £	Total £
At 1 March 2016	330	423,931	424,261
Profit for the year	-	140,226	140,226
Total comprehensive income	-	140,226	140,226
At 28 February 2017	330	564,157	564,487
	Share capital £	Profit and loss account £	Total £
At 1 March 2015	330	326,748	327,078
Profit for the year	-	97,184	97,184
Total comprehensive income	-	97,184	97,184
At 29 February 2016	330	423,932	424,262

## **Fernhill Farms Limited**

### **Notes to the Financial Statements for the Year Ended 28 February 2017**

#### **1 General information**

The company is a private company limited by share capital incorporated in United Kingdom .

The address of its registered office is:

Greenway House  
Sugarswell Business Park  
Shenington  
Banbury  
Oxfordshire  
OX15 6HW

The principal place of business is:

Fernhill Farm  
Thorpe Mandeville  
Banbury, OXON  
Oxfordshire  
OX17 2ER

#### **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 prepared in Sterling, which is the functional currency of the company. All monetary amounts are rounded to the nearest £.

##### **Going concern**

The financial statements have been prepared on a going concern basis.



## **Fernhill Farms Limited**

### **Notes to the Financial Statements for the Year Ended 28 February 2017**

#### **Judgements and estimates**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and Machinery	10% reducing balance
Motor Vehicles	25% reducing balance
Tractors	25% reducing balance
Fixtures and Fittings	15% reducing balance
Improvements to Property	10% reducing balance

#### **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.

#### **Trade 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 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.

## **Fernhill Farms Limited**

### **Notes to the Financial Statements for the Year Ended 28 February 2017**

#### **Trade 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.

#### **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.

#### **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.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### **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.

## **Fernhill Farms Limited**

### **Notes to the Financial Statements for the Year Ended 28 February 2017**

#### **Financial Instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic Financial Assets**

Basic financial assets which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Other Financial Assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Classification of Financial Liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt Instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## **Fernhill Farms Limited**

### **Notes to the Financial Statements for the Year Ended 28 February 2017**

#### **Impairment of Financial Assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of Financial Assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Other Financial Liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

#### **Derecognition of Financial Liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

## Fernhill Farms Limited

### Notes to the Financial Statements for the Year Ended 28 February 2017

#### 3 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Tractors £	Other property, plant and equipment £
<b>Cost or valuation</b>				
At 1 March 2016	23,433	46,506	106,078	80,637
Additions	-	6,400	-	19,980
Disposals	-	(9,400)	-	(1,282)
At 28 February 2017	<u>23,433</u>	<u>43,506</u>	<u>106,078</u>	<u>99,335</u>
<b>Depreciation</b>				
At 1 March 2016	10,148	24,155	38,716	20,742
Charge for the year	1,364	2,177	16,841	5,930
Eliminated on disposal	-	(3,490)	-	(601)
At 28 February 2017	<u>11,512</u>	<u>22,842</u>	<u>55,557</u>	<u>26,071</u>
<b>Carrying amount</b>				
At 28 February 2017	<u>11,921</u>	<u>20,664</u>	<u>50,521</u>	<u>73,264</u>
At 29 February 2016	<u>13,285</u>	<u>22,351</u>	<u>67,362</u>	<u>59,895</u>
				<b>Total £</b>
<b>Cost or valuation</b>				
At 1 March 2016				256,654
Additions				26,380
Disposals				<u>(10,682)</u>
At 28 February 2017				<u>272,352</u>
<b>Depreciation</b>				
At 1 March 2016				93,761
Charge for the year				26,312
Eliminated on disposal				<u>(4,091)</u>
At 28 February 2017				<u>115,982</u>
<b>Carrying amount</b>				
At 28 February 2017				<u>156,370</u>
At 29 February 2016				<u>162,893</u>

# Fernhill Farms Limited

## Notes to the Financial Statements for the Year Ended 28 February 2017

### 4 Stocks

	2017 £	2016 £
Finished goods and goods for resale	<u>403,260</u>	<u>324,500</u>

### 5 Debtors

	2017 £	2016 £
Trade debtors	12,611	25,957
Other debtors	<u>28,280</u>	<u>21,208</u>
Total current trade and other debtors	<u>40,891</u>	<u>47,165</u>

### 6 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Bank loans and overdrafts	7	19,967	14,717
Trade creditors		74,187	97,923
Amounts owed to group undertakings and undertakings in which the company has a participating interest		39,228	56,072
Other creditors		<u>70,083</u>	<u>25,415</u>
		<u>203,465</u>	<u>194,127</u>
<b>Due after one year</b>			
Loans and borrowings	7	<u>10,800</u>	<u>9,167</u>

### 7 Loans and borrowings

	2017 £	2016 £
<b>Non-current loans and borrowings</b>		
Finance lease liabilities	<u>10,800</u>	<u>9,167</u>

## Fernhill Farms Limited

### Notes to the Financial Statements for the Year Ended 28 February 2017

	2017 £	2016 £
<b>Current loans and borrowings</b>		
Finance lease liabilities	<u>19,967</u>	<u>14,717</u>

#### 8 Dividends

2017 £	2016 £
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#### 9 Share capital

##### Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary A of £1 each	200	200	200	200
Ordinary B of £1 each	100	100	100	100
Ordinary C of £1 each	10	10	10	10
Ordinary D of £1 each	10	10	10	10
Ordinary E of £1 each	10	10	10	10
	<u>330</u>	<u>330</u>	<u>330</u>	<u>330</u>

#### 10 Parent and ultimate parent undertaking

The ultimate controlling party is W J O Lombard.

#### 11 Transition to FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102), the financial reporting standard applicable in the UK and Republic of Ireland.

The date of transition was 1st March 2015, and there were minimal changes required to the company's accounting policies.

There is no difference between the financial position or financial performance as a result of the transition.