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FRIERN MANOR DAIRY FARM LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019



Keelings Limited
Chartered Tax Advisers and
Chartered Certified Accountants
Broad House
1 The Broadway
Old Hatfield
Herts
AL9 5BG

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FOR THE YEAR ENDED 31ST MARCH 2019**

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FRIERN MANOR DAIRY FARM LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST MARCH 2019**

DIRECTORS:

M W Roberts
Mrs E J Burke
Mrs J M White
J C Poll
Mrs W J Hewitt
C D Burke
Mrs B M Mortimer

SECRETARY:

Mrs J M White

REGISTERED OFFICE:

Broad House
1 The Broadway
Old Hatfield
Herts
AL9 5BG

REGISTERED NUMBER:

00023812 (England and Wales)

AUDITORS:

Keelings Limited
Chartered Tax Advisers and
Chartered Certified Accountants
Broad House
1 The Broadway
Old Hatfield
Herts
AL9 5BG

SOLICITORS:

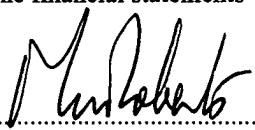
Messrs Debenhams Ottaway
48 Watling Street
Radlett
Herts
WD7 7NN

**STATEMENT OF FINANCIAL POSITION
31ST MARCH 2019**

		2019		2018	
	Notes	£	£	£	£
FIXED ASSETS					
Investments	4		3,508,565		3,347,834
Investment properties	5		<u>6,330,000</u>		<u>6,643,000</u>
			9,838,565		9,990,834
CURRENT ASSETS					
Debtors	6	145,819		137,450	
Cash at bank		<u>247,655</u>		<u>276,072</u>	
		393,474		413,522	
CREDITORS					
Amounts falling due within one year	7	<u>260,384</u>		<u>256,556</u>	
NET CURRENT ASSETS			<u>133,090</u>		<u>156,966</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			9,971,655		10,147,800
PROVISIONS FOR LIABILITIES	8		<u>977,366</u>		<u>992,885</u>
NET ASSETS			<u>8,994,289</u>		<u>9,154,915</u>
CAPITAL AND RESERVES					
Called up share capital	9		24,795		24,795
Share premium	10		26,673		26,673
Capital redemption reserve	10		1,051		1,051
Realised capital	10		1,740,866		1,730,133
Property Reserve	10		250,000		275,000
Retained earnings	10		1,481,658		1,439,776
Non-distributable Reserve	10		<u>5,469,246</u>		<u>5,682,487</u>
SHAREHOLDERS' FUNDS			<u>8,994,289</u>		<u>9,154,915</u>

The profit and loss account and directors report has not been delivered to the Registrar of Companies in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 2nd July 2019 and were signed on its behalf by:


.....
M W Roberts - Director


.....
Mrs J M White - Director

The notes form part of these financial statements

FRIERN MANOR DAIRY FARM LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	257,615	170,645
Taxation paid		<u>(17,826)</u>	<u>(42,684)</u>
		<u>239,789</u>	<u>127,961</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(309,444)	(236,795)
Proceeds of sale of investments		214,673	181,641
Interest received		25	179
Dividends received		<u>136,578</u>	<u>154,702</u>
Net cash from investing activities		<u>41,832</u>	<u>99,727</u>
Cash flows from financing activities			
Equity dividends paid		<u>(310,038)</u>	<u>(156,209)</u>
(Decrease)/increase in cash and cash equivalents		(28,417)	71,479
Cash and cash equivalents at beginning of year	3	<u>276,072</u>	<u>204,593</u>
Cash and cash equivalents at end of year	3	<u><u>247,655</u></u>	<u><u>276,072</u></u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2019**

1. STATEMENT OF COMPLIANCE

Friern Manor Dairy Farm Limited is limited company incorporated in England. The Registered Office is Broad House, 1 The Broadway, Old Hatfield, Hertfordshire, AL9 5BG.

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 31 March 2019.

The Company transitioned from previously extant UK GAAP to FRS 102 as at 1 April 2014.

2. STATUTORY INFORMATION

Friern Manor Dairy Farm Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The financial statements of Friern Manor Dairy Farm Limited were approved by the Board of Directors on 2nd July 2019. The financial statements are prepared in sterling which is the functional currency of the company.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the financial position date and the amounts reported for revenue and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revaluation of investment properties

The company carries its investment property at fair value, with changes in fair value being recognised in profit or loss. The company engaged independent valuation specialists to determine fair value at 31 March 2018, but the directors have undertaken their own valuation assessment at 31st March 2019.

The valuer provided an assessment of the fair value for each of the properties as set out in Valuations Practice Statement (VPS) 4 of the RICS Valuation – Global Standards 2018 as follows: "The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." The directors have adopted a similar method of assessment of fair value for the subsequent year to 31st March 2019.

The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long term vacancy rate. The key assumptions used to determine the fair value of investment properties are further explained in note 5.

Turnover

Turnover represents rents received and receivable in the year from properties within the United Kingdom. Pre-tax profitability is derived from this source, together with investment income, interest and realised/unrealised gains, after deduction of administrative expenses.

Investment properties

Investment properties are accounted for as follows:

- (i) Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure;
- (ii) Investment properties whose fair value can be measured reliably are measured at fair value. The surplus or deficit on revaluation is recognised in the statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2019**

3. ACCOUNTING POLICIES - continued

Deferred tax

Deferred taxation is accounted for on all fair value re-measurements and on all fair value adjustments arising on quoted investments and investment properties, together with all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the financial position date.

Capital reserve

Realised gains and losses on disposals of investments and properties, net of attributable taxation, are transferred to/(from) capital reserve after inclusion in the statement of comprehensive income.

Equity investments

Equity investments are recognised at fair value which is, initially, normally the transaction price. Subsequently, they are measured at fair value through the statement of comprehensive income except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available.

If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measurable is treated as the cost of the instrument.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and cash at investment brokers client account.

FRIERN MANOR DAIRY FARM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2019**

4. FIXED ASSET INVESTMENTS

	Listed investments £
FAIR VALUE	
At 1st April 2018	3,347,834
Additions	123,536
Disposals	(198,452)
Fair Value Reduction	<u>235,647</u>
At 31st March 2019	<u>3,508,565</u>
NET BOOK VALUE	
At 31st March 2019	<u>3,508,565</u>
At 31st March 2018	<u>3,347,834</u>

Market value of listed investments at 31st March 2019 - £3,508,565.

	2019		2018	
	Cost £	Market Value £	Cost £	Market Value £
Gilts and fixed interest	-	-	-	-
Unit and Investment Trust	460,878	991,241	533,613	1,096,477
Equities	<u>826,152</u>	<u>2,517,324</u>	<u>815,217</u>	<u>2,251,357</u>
	<u>1,287,030</u>	<u>3,508,565</u>	<u>1,348,830</u>	<u>3,347,834</u>

5. INVESTMENT PROPERTIES

	Total £
FAIR VALUE	
At 1st April 2018	6,643,000
Additions at cost	185,908
Enhancement/(diminution) in year	(498,908)
At 31st March 2019	<u>6,330,000</u>
NET BOOK VALUE	
At 31st March 2019	<u>6,330,000</u>
At 31st March 2018	<u>6,643,000</u>

The investment properties have a historical cost of £2,251,089.

For the financial year to 31st March 2019, the 'fair value' assessment of the company's investment properties was undertaken by the directors following the independent valuation secured in respect of the earlier year.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2019**

5. INVESTMENT PROPERTIES - continued

For that earlier year, the investment properties were independently valued at £6,643,000 on 31st March 2019 by Stuart Rider AssocRICS, who is a RICS Registered Valuer, and the valuation has also been reviewed and counter signed by Graham Atkins FRICS, who is also a RICS Registered Valuer. The valuation report has been prepared in accordance with the RICS Valuation - Global Standards January 2018, more commonly referred to as the RICS Red Book.

Valuations prepared have been carried out on the basis of the following assumptions:

- (i) That no deleterious or hazardous materials or techniques were used in the construction of the property, or have since been incorporated, other than those mentioned in this report;
- (ii) That good title can be shown and the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings;
- (iii) That the property and its value are unaffected by any matters which would be revealed by local authority searches and usual replies to enquiries, or by any statutory notice and that neither the property, nor its condition or use, or intended use, is or will be unlawful;
- (iv) That an inspection of those parts which have not been inspected would neither reveal material defects nor cause us to alter the valuation materially;
- (v) That no contaminative or potentially contaminative uses have ever been carried out on the property and that there is no potential for contamination of the subject property from past or present uses, other properties, or from any neighbouring properties;
- (vi) No allowance was made for any Capital gains Tax or any taxation liability that might arise upon a sale of the property;
- (vii) All valuations are exclusive of VAT and there has been no allowance made for any expenses or realisation.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade Debtors	131,732	126,325
Sundry debtors and prepayments	9,003	11,125
VAT recoverable	<u>5,084</u>	<u>-</u>
	<u>145,819</u>	<u>137,450</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	27,609	36,404
Corporation tax	16,082	18,295
VAT	-	14,513
Rent deposit	50,877	50,775
Accrued expenses	96,560	60,027
Prepaid rent	<u>69,256</u>	<u>76,542</u>
	<u>260,384</u>	<u>256,556</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2019**

8. PROVISIONS FOR LIABILITIES

	2019 £	2018 £
Deferred tax	<u>977,366</u>	<u>992,885</u>
		Deferred tax £
Balance at 1st April 2018		992,885
Movement in year		<u>(15,519)</u>
Balance at 31st March 2019		<u>977,366</u>

Deferred taxation is recognised in the financial statements in respect of accelerated capital allowances and revaluation gains. It has been provided at a 19% corporation tax rate.

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
49,590	Ordinary shares	50p	<u>24,795</u>	<u>24,795</u>

All ordinary shares rank equally in respect of voting, dividend and equity rights.

10. RESERVES

	At 1st April 2018 £	Net Comprehensive Income 2019 £	At 31st March 2019 £
Share Premium	26,673	-	26,673
Capital Redemption Reserve	1,051	-	1,051
Realised Capital Reserve	1,730,133	10,733	1,740,866
Property Reserve	250,000	-	250,000
Retained Earnings	1,439,776	41,882	1,481,658
Non-distributable – Revaluation Reserve	<u>5,682,487</u>	<u>(213,241)</u>	<u>5,469,246</u>
	<u>9,130,120</u>	<u>(160,626)</u>	<u>8,969,494</u>

11. CONTINGENT LIABILITIES

There were no contingent liabilities at the financial position date.

12. CAPITAL COMMITMENTS

There were no authorised or contracted capital commitments at the financial position date.

13. CONTROL AND RELATED PARTY TRANSACTIONS

There is no controlling shareholder interest in the Company. Dividends were paid to directors and their immediate families during the year, according to their shareholdings, as follows.

	£
M W Roberts	4,898
Mrs E J Burke	47,925
Mrs J M White	15,594
J C Poll	2,213
Mrs W J Hewitt	11,844
C D Burke	631
Mrs B M Mortimer	11,450

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2019**

14. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALLER ENTITIES

In common with many other businesses of our size and nature, we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

15. INDEPENDENT AUDITORS' REPORT

Although a directors' report was prepared in connection with the audit of the full annual accounts and directors' report, it has not been filed with this document.

The accounts of Friern Manor Dairy Farm Limited for the year ended 31st March 2019 included an unqualified audit opinion with no matters to which the auditors drew attention by way of emphasis. The details of the auditors are as follows:

Eric Pritchard (Senior Statutory Auditor)
for and on behalf of Keelings Limited
Registered Auditors
Chartered Tax Advisers and
Chartered Certified Accountants
Broad House
1 The Broadway
Old Hatfield
Herts
AL9 5BG