

**Registered number: 00449104**

**A A Clifton Limited**

**Unaudited**

**Financial statements**

**For the Year Ended 31 March 2017**

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**A A Clifton Limited**  
**Registered number: 00449104**

**Balance sheet**  
**As at 31 March 2017**

	Note	2017 £	As restated 2016 £
<b>Fixed assets</b>			
Tangible assets	4	1,730,848	1,829,155
Investments	5	142	380
		<u>1,730,990</u>	<u>1,829,535</u>
<b>Current assets</b>			
Stocks	6	448,668	448,518
Debtors: amounts falling due within one year	7	291,784	267,256
Cash at bank and in hand	8	2,338	1,428
		<u>742,790</u>	<u>717,202</u>
Creditors: amounts falling due within one year	9	(995,253)	(884,770)
<b>Net current liabilities</b>		<u>(252,463)</u>	<u>(167,568)</u>
<b>Total assets less current liabilities</b>		<u>1,478,527</u>	<u>1,661,967</u>
Creditors: amounts falling due after more than one year	10	(4,262,530)	(4,368,728)
<b>Net liabilities</b>		<u>(2,784,003)</u>	<u>(2,706,761)</u>
<b>Capital and reserves</b>			
Called up share capital	12	10,000	10,000
Profit and loss account	13	(2,794,003)	(2,716,761)
		<u>(2,784,003)</u>	<u>(2,706,761)</u>

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 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 statement of comprehensive income 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 on 7 December 2017.

*S A Clifton-Holt*

**S A Clifton-Holt**  
Director

The notes on pages 2 to 10 form part of these financial statements.

## **A A Clifton Limited**

### **Notes to the financial statements For the Year Ended 31 March 2017**

#### **1. General information**

A A Clifton Limited is a private company limited by shares which was incorporated in the UK and registered in England. Company number 00449104. The principal activity during the year was that of farming.

The company's registered office is Haguelands Burmarsh Road, Burmarsh, Romney Marsh, Kent, TN29 0JR.

The financial statements have been presented in Sterling (£).

#### **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 following principal accounting policies have been applied:

##### **2.2 Going concern**

The financial statements have been prepared on the going concern basis, with the continuance of trading dependant on the support of the company's directors. From reviewing the cashflow forecasts along with their knowledge of the industry, the directors have confirmed that they have reasonable expectations that the company has adequate resources to continue in operational existences for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing financial statements.

##### **2.3 Turnover**

Turnover comprises of revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

##### **2.4 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.

**Notes to the financial statements  
For the Year Ended 31 March 2017**

**2. Accounting policies (continued)**

**2.4 Tangible fixed assets (continued)**

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line and not provided
Tenanted improvements to property	- 10% reducing balance
Solar panels	- 10% straight line
Plant & machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

**2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**2.6 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 balance sheet 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.

**2.7 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.

**2.8 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**2.9 Financial instruments**

**Notes to the financial statements  
For the Year Ended 31 March 2017**

**2. Accounting policies (continued)**

**2.9 Financial instruments (continued)**

The Company only enters into basic financial instruments 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 non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

**2.10 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.

**2.11 Government grants**

Government grants comprise the Basic Payment Scheme. The payment has been recognised on an accruals basis.

**2.12 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of comprehensive income.

**2.13 Finance costs**

Finance costs are charged to the Statement of comprehensive income 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 March 2017**

**2. Accounting policies (continued)**

**2.14 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.15 Borrowing costs**

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

**2.16 Taxation**

Tax is recognised in the Statement of comprehensive income, 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 balance sheet 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 Balance sheet 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 balance sheet date.

**3. Employees**

The average monthly number of employees, including directors, during the year was 8 (2016 - 10).

**A A Clifton Limited**

**Notes to the financial statements  
For the Year Ended 31 March 2017**

**4. Tangible fixed assets**

	Freehold property £	Tenanted improvements to property £	Solar panels £	Plant & equipment £
<b>Cost or valuation</b>				
At 1 April 2016	381,568	2,663,320	72,953	1,772,081
Additions	-	-	5,452	243,410
Disposals	-	-	-	(163,005)
At 31 March 2017	381,568	2,663,320	78,405	1,852,486
<b>Depreciation</b>				
At 1 April 2016	192,709	1,648,970	19,285	1,276,104
Charge for the year on owned assets	7,631	101,435	7,341	159,541
Disposals	-	-	-	(110,967)
At 31 March 2017	200,340	1,750,405	26,626	1,324,678
<b>Net book value</b>				
At 31 March 2017	181,228	912,915	51,779	527,808
At 31 March 2016	188,859	1,014,350	53,668	495,977
		Motor vehicles £	Office fixtures & fittings £	Total £
<b>Cost or valuation</b>				
At 1 April 2016		80,474	48,201	5,018,597
Additions		-	-	248,862
Disposals		-	-	(163,005)
At 31 March 2017		80,474	48,201	5,104,454
<b>Depreciation</b>				
At 1 April 2016		14,099	38,275	3,189,442
Charge for the year on owned assets		16,594	2,589	295,131
Disposals		-	-	(110,967)
At 31 March 2017		30,693	40,864	3,373,606
<b>Net book value</b>				
At 31 March 2017		49,781	7,337	1,730,848
At 31 March 2016		66,375	9,926	1,829,155

## A A Clifton Limited

### Notes to the financial statements For the Year Ended 31 March 2017

#### 4. Tangible fixed assets (continued)

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

	2017 £	2016 £
Plant and machinery	389,672	260,354
Motor vehicles	47,515	63,354
	<u>437,187</u>	<u>323,708</u>

#### 5. Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 April 2016	380
Amounts written off	(238)
At 31 March 2017	<u>142</u>
<b>Net book value</b>	
At 31 March 2017	<u>142</u>
At 31 March 2016	<u>380</u>

#### 6. Stocks

	2017 £	As restated 2016 £
Finished goods and goods for resale	<u>448,668</u>	<u>448,518</u>



**A A Clifton Limited**

**Notes to the financial statements  
For the Year Ended 31 March 2017**

**7. Debtors**

	2017 £	2016 £
Trade debtors	143,484	136,563
Other debtors	46,225	48,155
Prepayments and accrued income	102,075	82,538
	<u>291,784</u>	<u>267,256</u>

**8. Cash**

	2017 £	2016 £
Cash at bank and in hand	2,338	1,428
Less: bank overdrafts	(458,803)	(303,780)
	<u>(456,465)</u>	<u>(302,352)</u>

**9. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Bank overdrafts	458,803	303,780
Bank loans	94,942	94,942
Trade creditors	121,898	217,530
Other taxation and social security	52,608	16,299
Obligations under finance lease and hire purchase contracts	109,193	88,783
Other creditors	90,146	103,881
Accruals and deferred income	67,663	59,555
	<u>995,253</u>	<u>884,770</u>

**Notes to the financial statements  
For the Year Ended 31 March 2017**

**10. Creditors: Amounts falling due after more than one year**

	2017 £	2016 £
Bank loans	4,084,082	4,202,000
Net obligations under finance leases and hire purchase contracts	178,448	166,728
	<u>4,262,530</u>	<u>4,368,728</u>

**Secured loans**

The bank loans are secured by the way of various charges over land owned by the directors personally. The bank also has the personal guarantee of Mrs S A Clifton-Holt, a director of the company.

There are four bank loans, one totalling £2,500,000 as at 31 March 2017 is interest only, the interest element of the bank loan is payable quarterly in arrears with the capital sum due for repayment in 2025. The second totalling £1,500,000 is repayable over 20 years by 2035. The third totals £371,000 and is repayable over 5 years by 2020. The fourth totals £27,000 and is repayable over 3 years by 2018.

**11. Loans**

Analysis of the maturity of loans is given below:

	2017 £	2016 £
<b>Amounts falling due within one year</b>		
Bank loans	94,942	94,942
<b>Amounts falling due 2-5 years</b>		
Bank loans	609,082	652,000
<b>Amounts falling due after more than 5 years</b>		
Bank loans	3,475,000	3,550,000
	<u>4,179,024</u>	<u>4,296,942</u>

**12. Share capital**

	2017 £	2016 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

## **A A Clifton Limited**

### **Notes to the financial statements For the Year Ended 31 March 2017**

#### **13. Reserves**

##### **Profit & loss account**

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

#### **14. Prior year adjustment**

During the year, the company identified an error in the stock valuation as at 31 March 2016 in relation to consumables.

Stock had been overstated in the 31 March 2016 valuation by £96,915 in respect of consumables, which became apparent when reconciling the 2016 harvest and cropping costs.

The Directors consider that this is a material difference so therefore have restated the figures in relation to the stock valuation at 31 March 2016 in these accounts.

#### **15. Related party transactions**

During the year, the following transactions have taken place:

- i) Rent was paid to the following directors for land owned by them but farmed by the company; Mrs S A Clifton-Holt £28,543 (2016: £28,543) and Mr R G Clifton-Holt £20,000 (2016: £20,000).
- ii) At the year end, there are balances on the directors' current accounts; owed to Mrs S A Clifton-Holt £4,151 (2016: owed to £17,608) and owed to Mr R G Clifton-Holt £979 (2016: £9,997).
- iii) Mrs S A Clifton-Holt also runs a farming sole trade, there was an amount owed from this enterprise at the year end totalling £13,003 (2016: amount owed to this enterprise £46,517).
- iv) During the year, the company farmed land which was owned by the children of R G and Mrs S A Clifton-Holt being Mrs J Clifton-Holt-Levitt (daughter), Mr A G Clifton-Holt (son) and Mr T Clifton-Holt (son). Rents totalling £21,633 were due. (2016: £21,633). Mr A G Clifton-Holt and Mr T Clifton-Holt are directors of the company. No rent was outstanding at the year end.
- v) During the year a loan amounting to £26,098 (2016: £26,098) was owed from Attendus Limited, a company in which Mrs S A Clifton-Holt is a director. No interest is payable on the loan.
- vi) During the year, a loan amounting to £25,466 (2016: £25,466) was owed to Mr A G Clifton-Holt, a director of the company. No interest is payable on the loan.

#### **16. Controlling party**

The ultimate controlling party is Mrs S A Clifton-Holt by virtue of her shareholding.

#### **17. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.