

Registered number: 00449104

A A Clifton Limited

Unaudited

Financial statements

Information for filing with the registrar

For the Year Ended 30 June 2020

Chartered Accountants' Report to the Board of Directors on the preparation of the Unaudited Statutory Financial Statements of A A Clifton Limited for the Year Ended 30 June 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A A Clifton Limited for the year ended 30 June 2020 which comprise the Balance Sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of A A Clifton Limited, as a body, in accordance with the terms of our engagement letter dated 19 June 2014. Our work has been undertaken solely to prepare for your approval the financial statements of A A Clifton Limited and state those matters that we have agreed to state to the Board of Directors of A A Clifton Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A A Clifton Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that A A Clifton Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of A A Clifton Limited. You consider that A A Clifton Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of A A Clifton Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kreston Reeves LLP

Chartered Accountants

Canterbury

17 March 2021

Balance Sheet
As at 30 June 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	1,802,180	1,833,757
Investments	5	132	132
		<u>1,802,312</u>	<u>1,833,889</u>
Current assets			
Stocks		728,400	852,162
Debtors: amounts falling due within one year	6	555,414	381,619
Bank & cash balances		343	1,646
		<u>1,284,157</u>	<u>1,235,427</u>
Creditors: amounts falling due within one year	7	(1,363,934)	(1,427,989)
Net current liabilities		<u>(79,777)</u>	<u>(192,562)</u>
Total assets less current liabilities		<u>1,722,535</u>	<u>1,641,327</u>
Creditors: amounts falling due after more than one year	8	(4,076,147)	(4,176,631)
Net liabilities		<u>(2,353,612)</u>	<u>(2,535,304)</u>
Capital and reserves			
Called up share capital	10	10,000	10,000
Profit and loss account	11	(2,363,612)	(2,545,304)
		<u>(2,353,612)</u>	<u>(2,535,304)</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 the 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 income and retained earnings 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 10 March 2021.

S A Clifton-Holt

A A Clifton Limited
Registered number: 00449104

Balance Sheet (continued)
As at 30 June 2020

Director

The notes on pages 4 to 12 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 30 June 2020**

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 a going concern basis with the continuance of trading dependent on the support of the company's directors.

While the impact of the Covid-19 virus has been assessed by the directors, so far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the company's trade, its customers and supplies.

However, taking into consideration the UK Government's response and the company's planning, the directors have reasonable expectation that the company will continue in operational existence for the foreseeable future.

2.3 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.

2.4 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.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss 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.

**Notes to the Financial Statements
For the Year Ended 30 June 2020**

2. Accounting policies (continued)

2.6 Government grants

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

2.7 Finance costs

Finance costs are charged to profit or loss 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.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

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 payment obligations.

The contributions are recognised as an expense in profit or loss 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.

2.10 Taxation

Tax is recognised in profit or loss 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.

**Notes to the Financial Statements
For the Year Ended 30 June 2020**

2. Accounting policies (continued)

2.11 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.

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	-	15% - 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 profit or loss.

2.12 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 Income and Retained Earnings 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.

2.13 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.

2.14 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.

**Notes to the Financial Statements
For the Year Ended 30 June 2020**

2. Accounting policies (continued)

2.15 Cash

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

2.16 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.

2.17 Financial instruments

The Company only enters into basic financial instrument 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 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 Income and Retained Earnings.

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.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2019 - 8).

Notes to the Financial Statements
For the Year Ended 30 June 2020

4. Tangible fixed assets

	Freehold property £	L/Term Leasehold Property £	S/Term Leasehold Property £	Plant & machinery £	Motor vehicles £
Cost or valuation					
At 1 July 2019	381,567	2,737,111	78,402	2,148,310	15,854
Additions	-	54,174	-	246,656	3,700
Disposals	-	-	-	(72,120)	-
At 30 June 2020	<u>381,567</u>	<u>2,791,285</u>	<u>78,402</u>	<u>2,322,846</u>	<u>19,554</u>
Depreciation					
At 1 July 2019	217,510	1,981,994	44,266	1,283,173	9,178
Charge for the year on owned assets	7,632	79,876	7,840	173,462	2,594
Disposals	-	-	-	(9,547)	-
At 30 June 2020	<u>225,142</u>	<u>2,061,870</u>	<u>52,106</u>	<u>1,447,088</u>	<u>11,772</u>
Net book value					
At 30 June 2020	<u>156,425</u>	<u>729,415</u>	<u>26,296</u>	<u>875,758</u>	<u>7,782</u>
At 30 June 2019	<u>164,057</u>	<u>755,117</u>	<u>34,136</u>	<u>865,137</u>	<u>6,676</u>

Notes to the Financial Statements
For the Year Ended 30 June 2020

4. Tangible fixed assets (continued)

	Office equipment £	Total £
Cost or valuation		
At 1 July 2019	44,961	5,406,205
Additions	-	304,530
Disposals	-	(72,120)
At 30 June 2020	<u>44,961</u>	<u>5,638,615</u>
Depreciation		
At 1 July 2019	36,327	3,572,448
Charge for the year on owned assets	2,130	273,534
Disposals	-	(9,547)
At 30 June 2020	<u>38,457</u>	<u>3,836,435</u>
Net book value		
At 30 June 2020	<u><u>6,504</u></u>	<u><u>1,802,180</u></u>
At 30 June 2019	<u><u>8,634</u></u>	<u><u>1,833,757</u></u>

The net book value of land and buildings may be further analysed as follows:

	2020 £	2019 £
Freehold	156,425	164,056
Long leasehold	729,415	755,116
Short leasehold	26,296	34,137
	<u><u>912,136</u></u>	<u><u>953,309</u></u>

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

	2020 £	2019 £
Plant and machinery	534,044	654,419
	<u><u>534,044</u></u>	<u><u>654,419</u></u>

**Notes to the Financial Statements
For the Year Ended 30 June 2020**

5. Fixed asset investments

	Other fixed asset investments £
Cost or valuation	
At 1 July 2019	132
At 30 June 2020	<u>132</u>

6. Debtors

	2020 £	2019 £
Trade debtors	202,133	89,393
Other debtors	46,528	49,063
Prepayments and accrued income	306,753	243,163
	<u>555,414</u>	<u>381,619</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	681,336	590,328
Bank loans	124,100	110,806
Trade creditors	69,832	217,485
Other taxation and social security	30,318	13,657
Obligations under finance lease and hire purchase contracts	134,057	132,701
Other creditors	177,306	190,423
Accruals and deferred income	146,985	172,589
	<u>1,363,934</u>	<u>1,427,989</u>

8. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	3,715,211	3,810,549
Net obligations under finance leases and hire purchase contracts	360,936	366,082
	<u>4,076,147</u>	<u>4,176,631</u>

Notes to the Financial Statements
For the Year Ended 30 June 2020

9. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	124,100	110,806
Amounts falling due 2-5 years		
Bank loans	500,000	443,224
Amounts falling due after more than 5 years		
Bank loans	3,215,211	3,367,325
	<u>3,839,311</u>	<u>3,921,355</u>

10. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
10,000 (2019 - 10,000) Ordinary shares of £1.00 each	<u>10,000</u>	<u>10,000</u>

11. 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.

12. Related party transactions

During the period to the balance sheet date, the following transactions have taken place:

i) Rent was paid for land farmed by the company but owned by; Mrs S A Clifton-Holt £28,543 (31 March 2019: £35,679) and Mr R G Clifton-Holt £20,000 (31 March 2019: £25,000). Both Mrs S A Clifton-Holt and Mr R G Clifton-Holt are directors of the company.

ii) 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 G Clifton-Holt (son). Rents totalling £21,633 were due. (31 March 2019: £21,633). Mr A G Clifton-Holt and Mr T G Clifton-Holt are directors of the company. No rent was outstanding at the year end.

iii) At the year end, there are balances on the directors' current accounts; owed to Mrs S A Clifton-Holt £72,692 (31 March 2019: £96,092) and owed to Mr R G Clifton-Holt £492 (31 March 2019: £1,697, Mr A G Clifton-Holt £20,466 (31 March 2019: £25,466).

iv) Mrs S A Clifton-Holt also runs a farming sole trade, there was an amount owed from this enterprise at the year end totalling £50,388 (31 March 2019: £312).

**Notes to the Financial Statements
For the Year Ended 30 June 2020**

13. Controlling party

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

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.