

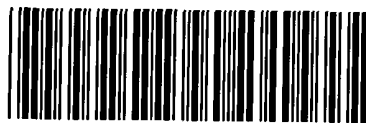
Registered number: 00479877

Alfred Day and Son (Headcorn) Limited

Financial statements

for the year ended 30 June 2017

THURSDAY



A70CHT6A

A18

22/02/2018

#47

COMPANIES HOUSE

Alfred Day and Son (Headcorn) Limited

Company information

| | |
|--------------------------|---|
| Directors | WA Day PW Day RP Day AM Day |
| Company secretary | A M Day |
| Registered number | 00479877 |
| Registered office | Great Tong Farm Maidstone Road Headcorn Kent TN27 9PP |
| Accountants | Chavereys Chartered Accountants Mall House The Mall Faversham Kent ME13 8JL |

Alfred Day and Son (Headcorn) Limited

Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Alfred Day and Son (Headcorn) Limited for the year ended 30 June 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Alfred Day and Son (Headcorn) Limited for the year ended 30 June 2017 which comprise the profit and loss account, balance sheet, statement of changes in equity and related notes from the company 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 <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Alfred Day and Son (Headcorn) Limited, as a body, in accordance with the terms of our engagement letter dated 25 September 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Alfred Day and Son (Headcorn) Limited and state those matters that we have agreed to state to the board of directors of Alfred Day and Son (Headcorn) 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 Alfred Day and Son (Headcorn) Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Alfred Day and Son (Headcorn) 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 or loss of Alfred Day and Son (Headcorn) Limited. You consider that Alfred Day and Son (Headcorn) 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 Alfred Day and Son (Headcorn) 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.



Chavereys
Chartered Accountants
Faversham
Date:

19 February 2018

Alfred Day and Son (Headcorn) Limited
Registered number:00479877

Balance sheet
as at 30 June 2017

| | Note | 2017 £ | 2016 £ |
|---|-------------|-------------------------|-------------------------|
| Fixed assets | | | |
| Intangible assets | 4 | 2,862 | 3,578 |
| Tangible assets | 5 | 621,110 | 646,593 |
| Investments | 6 | 914 | 914 |
| | | <u>624,886</u> | <u>651,085</u> |
| Current assets | | | |
| Stocks | 7 | 218,994 | 211,567 |
| Debtors: Amounts falling due within one year | 8 | 32,269 | 37,002 |
| Cash at bank and in hand | | 63,445 | 91,976 |
| | | <u>314,708</u> | <u>340,545</u> |
| Creditors: Amounts falling due within one year | 9 | (159,147) | (189,902) |
| Net current assets | | <u>155,561</u> | <u>150,643</u> |
| Total assets less current liabilities | | <u>780,447</u> | <u>801,728</u> |
| Creditors: Amounts falling due after more than one year | 10 | (53,044) | (74,858) |
| Provisions for liabilities | | | |
| Deferred tax | 12 | (46,829) | (52,816) |
| | | <u>(46,829)</u> | <u>(52,816)</u> |
| Net assets | | <u><u>680,574</u></u> | <u><u>674,054</u></u> |

Alfred Day and Son (Headcorn) Limited
Registered number:00479877

Balance sheet (continued)
as at 30 June 2017

| | 2017 £ | 2016 £ |
|-----------------------------|----------------|----------------|
| Capital and reserves | | |
| Called up share capital | 60,000 | 60,000 |
| Share premium account | 12,400 | 12,400 |
| Other reserves | 10,233 | 10,233 |
| Profit and loss account | 597,941 | 591,421 |
| | <u>680,574</u> | <u>674,054</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.

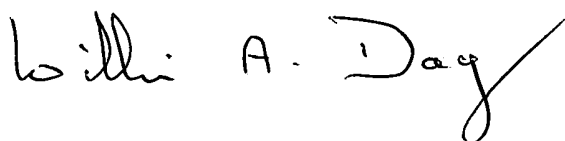
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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 by:



WA Day
Director

Date: 8.2.18

The notes on pages 5 to 13 form part of these financial statements.

Alfred Day and Son (Headcorn) Limited

**Statement of changes in equity
for the year ended 30 June 2017**

| | Called up share capital | Share premium account | Other reserves | Profit and loss account | Total equity |
|---------------------------|------------------------------------|--------------------------------------|---------------------------|------------------------------------|---------------------|
| | £ | £ | £ | £ | £ |
| At 1 July 2015 | 60,000 | 12,400 | 10,233 | 588,341 | 670,974 |
| Profit for the year | - | - | - | 30,638 | 30,638 |
| Dividends: Equity capital | - | - | - | (27,558) | (27,558) |
| At 1 July 2016 | 60,000 | 12,400 | 10,233 | 591,421 | 674,054 |
| Profit for the year | - | - | - | 36,720 | 36,720 |
| Dividends: Equity capital | - | - | - | (30,200) | (30,200) |
| At 30 June 2017 | 60,000 | 12,400 | 10,233 | 597,941 | 680,574 |

Alfred Day and Son (Headcorn) Limited

Notes to the financial statements for the year ended 30 June 2017

1. General information

Alfred Day & Son (Headcorn) Limited is a private company, limited by shares and incorporated in England and Wales.

The company number and address of the registered office are given on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements for the year ended 30 June 2017 are the first financial statements that comply with FRS 102 Section 1A small entities. The date of transition is 1 July 2015.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in pounds sterling and all values are rounded to the nearest pound (£) except where otherwise indicated.

2.2 Revenue recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, Value Added Tax and other sales taxes.

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Basic Payment Entitlements are stated at cost less amortisation which is provided at a rate calculated to write off the cost of the Entitlements over their expected useful life. The current scheme is expected to end in 2020.

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Alfred Day and Son (Headcorn) Limited

Notes to the financial statements for the year ended 30 June 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is not provided on freehold land and buildings. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight line or reducing balance basis..

Depreciation is provided on the following basis:

| | |
|----------------------|---|
| Tenants improvements | - 10% reducing balance |
| Drainage | - 5% reducing balance |
| Plant and machinery | - 10-22.5% reducing balance |
| Motor vehicles | - 25% reducing balance |
| Office equipment | - 15% reducing balance |
| Orchards | - 6.66% straight line from the year of the first crop |

2.5 Valuation of investments

Investments in unlisted company shares, whose value can be reliably determined, are remeasured to fair value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the period. Where fair value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stock. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Where cost cannot be reliably calculated, deemed cost is used in line with HMRC guidance HS232.

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 Biological assets

Biological assets are living plants controlled by the company from which it expects to derive future economic benefit. These are measured at the lower of cost and estimated selling price, less costs to sell.

2.8 EU agricultural support schemes

Payments received under EU agricultural support schemes are recognised as income when the business has met all criteria which entitle it to the payments.

Amounts received under the Basic Payment scheme are recognised on 31 December in the year of claim. No provision has been made for penalties arising from the failure to comply with 'cross compliance' conditions, as defined by the RPA, except for where notification has been received.

Alfred Day and Son (Headcorn) Limited

Notes to the financial statements for the year ended 30 June 2017

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for certain 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 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.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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 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 the directors, during the year was as follows:

| | 2017 No. | 2016 No. |
|-----------------|-------------|-------------|
| Directors | 4 | 4 |
| Full time staff | 2 | 2 |
| | <u>6</u> | <u>6</u> |

Alfred Day and Son (Headcorn) Limited

**Notes to the financial statements
for the year ended 30 June 2017**

4. Intangible assets

| | Basic Payment Entitlements £ |
|-----------------------|---|
| Cost | |
| At 1 July 2016 | <u>3,578</u> |
| At 30 June 2017 | <u>3,578</u> |
| Amortisation | |
| Charge for the year | <u>716</u> |
| At 30 June 2017 | <u>716</u> |
| Net book value | |
| At 30 June 2017 | <u><u>2,862</u></u> |
| At 30 June 2016 | <u><u>3,578</u></u> |

Alfred Day and Son (Headcorn) Limited

Notes to the financial statements for the year ended 30 June 2017

5. Tangible fixed assets

| | Freehold property £ | Plant and machinery £ | Motor vehicles £ | Office equipment £ | Orchards £ | Total £ |
|--|---------------------------|-----------------------------|------------------------|--------------------------|---------------|------------------|
| Cost or valuation | | | | | | |
| At 1 July 2016 | 466,940 | 677,869 | 50,751 | 8,304 | 12,568 | 1,216,432 |
| Additions | 2,010 | 46,150 | - | - | - | 48,160 |
| Disposals | - | (24,900) | - | - | - | (24,900) |
| At 30 June 2017 | <u>468,950</u> | <u>699,119</u> | <u>50,751</u> | <u>8,304</u> | <u>12,568</u> | <u>1,239,692</u> |
| Depreciation | | | | | | |
| At 1 July 2016 | 99,356 | 417,634 | 46,805 | 5,206 | 838 | 569,839 |
| Charge for the year on owned assets | 8,763 | 62,103 | 1,518 | 420 | 838 | 73,642 |
| Disposals | - | (24,900) | - | - | - | (24,900) |
| At 30 June 2017 | <u>108,119</u> | <u>454,837</u> | <u>48,323</u> | <u>5,626</u> | <u>1,676</u> | <u>618,581</u> |
| Net book value | | | | | | |
| At 30 June 2017 | <u>360,831</u> | <u>244,282</u> | <u>2,428</u> | <u>2,678</u> | <u>10,892</u> | <u>621,111</u> |
| At 30 June 2016 | <u>367,584</u> | <u>260,235</u> | <u>3,946</u> | <u>3,098</u> | <u>11,730</u> | <u>646,593</u> |

6. Fixed asset investments

| | Unlisted investments £ |
|--------------------------|------------------------------|
| Cost or valuation | |
| At 1 July 2016 | 914 |
| At 30 June 2017 | <u>914</u> |
| Net book value | |
| At 30 June 2017 | <u>914</u> |
| At 30 June 2016 | <u>914</u> |

Alfred Day and Son (Headcorn) Limited

Notes to the financial statements for the year ended 30 June 2017

7. Stocks

| | 2017 £ | 2016 £ |
|----------------|----------------|----------------|
| Crops in store | 16,751 | 7,197 |
| Growing crops | 169,703 | 166,720 |
| Orchards | 14,922 | 26,796 |
| Consumables | 17,618 | 10,854 |
| | <u>218,994</u> | <u>211,567</u> |

Biological assets

| | Growing crops £ | Orchards £ |
|------------------------------|-----------------------|---------------|
| At 1 July 2016 | 166,720 | 26,796 |
| Net movement during the year | 2,983 | (11,874) |
| | <u>169,703</u> | <u>14,922</u> |

8. Debtors

| | 2017 £ | 2016 £ |
|--------------------------------|---------------|---------------|
| Trade debtors | 2,040 | 4,093 |
| Other debtors | 11,303 | 15,924 |
| Prepayments and accrued income | 18,926 | 16,985 |
| | <u>32,269</u> | <u>37,002</u> |

Included within other debtors due within one year is a loan to directors, amounting to £1,440 (2016 - £7,102) as analysed in note 17.

Alfred Day and Son (Headcorn) Limited

Notes to the financial statements for the year ended 30 June 2017

9. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|---|----------------|----------------|
| Bank loans | 11,668 | 11,121 |
| Trade creditors | 30,718 | 36,784 |
| Corporation Tax | 14,366 | 23,186 |
| Obligations under finance lease and hire purchase contracts | 18,598 | 31,931 |
| Other creditors | 77,237 | 80,241 |
| Accruals and deferred income | 6,560 | 6,639 |
| | <u>159,147</u> | <u>189,902</u> |

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

| | | |
|--|---------------|---------------|
| Bank loans | 31,446 | 43,662 |
| Net obligations under finance leases and hire purchase contracts | 21,598 | 31,196 |
| | <u>53,044</u> | <u>74,858</u> |

Secured loans

The bank loan of £43,120 (2016 - £54,781) is secured on 1 and 2 Tilden Cottages, Tilden Road, Headcorn. Interest is charged at 4.75% The loan is repayable by monthly instalments.

Alfred Day and Son (Headcorn) Limited

Notes to the financial statements for the year ended 30 June 2017

11. Loans

Analysis of the maturity of loans is given below:

| | 2017 £ | 2016 £ |
|--|---------------|---------------|
| Amounts falling due within one year | | |
| Bank loans | 11,668 | 11,121 |
| | <u>11,668</u> | <u>11,121</u> |
| Amounts falling due 1-2 years | | |
| Bank loans | 11,668 | 11,121 |
| | <u>11,668</u> | <u>11,121</u> |
| Amounts falling due 2-5 years | | |
| Bank loans | 19,778 | 32,541 |
| | <u>19,778</u> | <u>32,541</u> |
| | <u>43,114</u> | <u>54,783</u> |

12. Deferred taxation

| | 2017 £ |
|------------------------------------|------------------------|
| At beginning of year | (52,815) |
| Charged to profit and loss account | 5,987 |
| At end of year | <u><u>(46,828)</u></u> |

The provision for deferred taxation is made up as follows:

| | |
|--------------------------------|------------------------|
| Accelerated capital allowances | (46,828) |
| | <u><u>(46,828)</u></u> |

13. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,700 (2016 - £2,700).

Alfred Day and Son (Headcorn) Limited

Notes to the financial statements for the year ended 30 June 2017

Loans to directors

| | WA and RP Day £ |
|--------------------------------------|--------------------------------|
| Balance as at 1 July 2016 | (10,640) |
| Amounts credited to director's loans | (15,586) |
| Dividends received | (20,400) |
| Amounts drawn from directors' loans | 48,066 |
| Balance as at 30 June 2017 | <u>1,440</u> |

14. Controlling party

The company was controlled throughout the year by the Day family, who, between them, exercise control over all the issued ordinary shares of the company.