

**SEWELL HEWITT (FARMS) LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**PAGES FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 MAY 2018**

**SEWELL HEWITT (FARMS) LIMITED**

REGISTERED NUMBER:00691996

**BALANCE SHEET  
AS AT 31 MAY 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	6,118,754	6,104,725
		<u>6,118,754</u>	<u>6,104,725</u>
<b>Current assets</b>			
Stocks		2,600	2,600
Debtors: amounts falling due within one year	5	97,748	55,156
Cash at bank and in hand		240,775	204,579
		<u>341,123</u>	<u>262,335</u>
Creditors: amounts falling due within one year	6	(73,253)	(63,952)
<b>Net current assets</b>		<u>267,870</u>	<u>198,383</u>
<b>Total assets less current liabilities</b>		<u>6,386,624</u>	<u>6,303,108</u>
Creditors: amounts falling due after more than one year	7	-	(1,079)
<b>Provisions for liabilities</b>			
Deferred tax		(445,718)	(453,104)
		<u>(445,718)</u>	<u>(453,104)</u>
<b>Net assets</b>		<u><u>5,940,906</u></u>	<u><u>5,848,925</u></u>
<b>Capital and reserves</b>			
Called up share capital		73	73
Capital redemption reserve		27	27
Profit and loss account		5,940,806	5,848,825
		<u><u>5,940,906</u></u>	<u><u>5,848,925</u></u>

# **SEWELL HEWITT (FARMS) LIMITED**

**REGISTERED NUMBER:00691996**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 MAY 2018**

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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 profit and loss account 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 15 September 2018.

**Mr A J King**

Director

The notes on pages 3 to 9 form part of these financial statements.

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# SEWELL HEWITT (FARMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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### 1. General information

Sewell Hewitt (Farms) Limited is a private company limited by share capital, incorporated and domiciled in England and Wales, registration number 00691996. The address of the registered office is Hill Farm, Chillesford, Woodbridge, Suffolk, IP12 3PY.

### 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 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
  - it is probable that the Company will receive the consideration due under the contract;
  - the stage of completion of the contract at the end of the reporting period can be measured reliably; and
  - the costs incurred and the costs to complete the contract can be measured reliably.
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# SEWELL HEWITT (FARMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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### 2. Accounting policies (continued)

#### 2.3 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.

The estimated useful lives range as follows:

Plant and machinery	-
	5 - 15 years
Motor vehicles & tractors	-
	see below
Fixtures, fittings & equipment	-
	3 - 5 years
Agricultural buildings, reservoir & lagoon	-
	20 - 50 years

Motor vehicles and tractors are reviewed annually and any change in market value is recognised as a revaluation gain or loss in the profit and loss account.

No depreciation is provided on land.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

#### 2.4 Investment property

Investment property is carried at fair value, determined annually, and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. The directors review the fair value annually and will appoint an external valuer, as required, if they consider the fair value to have materially changed in the period. No depreciation is provided. Changes in fair value are recognised in the Profit and Loss account.

#### 2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

#### 2.6 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.

#### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# SEWELL HEWITT (FARMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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### 2. Accounting policies (continued)

#### 2.8 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 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 Profit and Loss Account.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

#### 2.9 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.

#### 2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### 2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

#### 2.12 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 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.

# SEWELL HEWITT (FARMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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### 2. Accounting policies (continued)

#### 2.13 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 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.

#### 2.14 Recognition of gifted properties

The company was gifted various freehold properties in the year ended 31 May 2001 under the will of the late J T S Hewitt.

The properties were initially recognised at their deemed cost which is the inheritance tax and associated costs connected with the gift. The cost was apportioned between the gifted properties on the basis of market value.

### 3. Employees

The average monthly number of employees, including directors, during the year was 6 (2017 - 7).

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# SEWELL HEWITT (FARMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

### 4. Tangible fixed assets

	Freehold land & buildings £	Plant and machinery £	Agri buildings, reservoir & lagoon £	Total £
<b>Cost or valuation</b>				
At 1 June 2017	5,670,000	817,721	331,820	6,819,541
Additions	-	57,250	-	57,250
Disposals	-	(12,696)	-	(12,696)
At 31 May 2018	5,670,000	862,275	331,820	6,864,095
<b>Depreciation</b>				
At 1 June 2017	-	457,884	256,932	714,816
Charge for the year on owned assets	-	39,666	2,231	41,897
Disposals	-	(11,372)	-	(11,372)
At 31 May 2018	-	486,178	259,163	745,341
<b>Net book value</b>				
At 31 May 2018	5,670,000	376,097	72,657	6,118,754
<b>At 31 May 2017</b>	5,670,000	359,837	74,888	6,104,725

Included within Freehold Land & Buildings is £4,015,000 (2017: £4,015,000) in relation to Freehold Property & Buildings and £1,655,000 (2017: £1,655,000) in relation to Freehold Investment Properties.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2018 £	2017 £
Cost	974,272	974,272
<b>Net book value</b>	<b>974,272</b>	<b>974,272</b>

The last full valuation of freehold land and properties was undertaken in May 2015 by Edwards Wells FRICS. The directors do not feel that there has been a significant change in their valuation to the date of signing.



# SEWELL HEWITT (FARMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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### 4. Tangible fixed assets (continued)

If the motor vehicles and tractors had not been included at valuation they would have been included under the historical cost convention as follows:

	2018 £	2017 £
Cost	324,478	320,678
Accumulated depreciation	(125,951)	(100,449)
<b>Net book value</b>	<b>198,527</b>	<b>220,229</b>

### 5. Debtors

	2018 £	2017 £
Trade debtors	68,484	42,946
Other debtors	29,264	12,210
	<b>97,748</b>	<b>55,156</b>

### 6. Creditors: Amounts falling due within one year

	2018 £	2017 £
Obligations under finance lease and hire purchase contracts	1,079	1,177
Trade creditors	29,134	26,828
Corporation tax	16,388	16,385
Other taxation and social security	11,564	9,676
Other creditors	15,088	9,886
	<b>73,253</b>	<b>63,952</b>

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## SEWELL HEWITT (FARMS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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#### 7. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	-	1,079
	<u>-</u>	<u>1,079</u>

#### 8. Commitments under operating leases

At 31 May 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	3,142	3,142
Later than 1 year and not later than 5 years	4,974	8,116
	<u>8,116</u>	<u>11,258</u>

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.